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The Nation's Business

Canada's Position Between U.S.A. and Britain
$50,000 Manager Needed For B.W.I. Boat Service
Chance to Invite B.W.I. Press

CANADA'S ROLE

THE United States government withdrew mail contracts from the Cunard boats and while it later rescinded its action it did not seem very convincing in its statement that the action was not a reprisal for the entry of the Cunard line into the Cuba service, hitherto considered the province of American shipping. In any event, the step taken only led to bad feeling between the people of the United States and Great Britain.

The Anglo-French naval pact, conceived in the mind of Sir Austen Chamberlain, is already a dead letter and Sir Austen's two statements in Canada have pretty well killed his influence for all time in British affairs. But the American people cannot be expected to realize that. Big Navy editors and politicians across the line have been given additional ammunition by this pact and it has undoubtedly intensified naval rivalry between Britain and the United States. Britain at the moment simply cannot afford enormous contributions for naval defence. The United States treasury on the other hand is now a bottomless sack. Naval rivalry is certain to hurt Britain more than the United States. In fact John Bull simply cannot keep up with Uncle Sam in such a competition. At the same time it is a fact that the Coolidge government certainly did not want the naval programme they were compelled to consider.

* * *

AS shipping wars and naval competition tend to engender ill-feeling between the British and Americans, Canada, with important business relationships to both countries, with political and sentimental attachments to the Old Country and the warmest of friendly relations with the United States, stands to be the chief loser. From the point of view of Canadian security and Canadian trade expansion, complete accord between Britain and the United States is highly desirable and, in fact, necessary.

Canada had the opportunity of vetoing the Anglo-French agreement and it is very surprising that Premier King, who did good work in preventing trouble in the Near East when he checked up the hot-headed Lloyd George at the time of the Chanak incident, has apparently allowed this opportunity to pass by. Mr. King must have foreseen the effect on American navy plans and the ultimate effect on Canada. Possibly he may have unnecessarily feared propaganda from the Navy Leaguers in this country.

* * *

CANADA need not be ashamed of accepting the role of interpreting the British and the American people to one another. We are largely a composite of British cultural ideas and American business ideas and the joining of these two streams has produced a vigorous national character. If the security of the world depends to-day upon the harmony between the English-speaking nations, Canada may consider herself as the pivotal nation in maintaining those relations, and ministers and people should not fail to help her live the part.

* * *

ANOTHER MAN LIKE THORNTON

THE Canadian National Steamships have embarked on an important extension to Canadian Merchant Marine in the building of five palatial steamers for the British West India trade. These new steamers have meant an investment of about $10,000,000.00. Five million dollars is being spent on Halifax Harbor, and a similar amount will probably be spent in the near future at Saint John, N. B. The Canadian National Steamships are into the ocean steamship business in a big way, and, in an undertaking of this kind, they will find, to protect the present investment, that they will probably have to put up double or treble the present amount.

They will have as competitors some huge corporations, notably the American Fruit Company, who have hitherto had a monopoly of the fruit trade in the West Indies. The American Fruit Company know the tropical fruit business from A to Z.

It is extremely important that the Canadian National Steamships should secure at once the service of a man who can hold up his end against a corporation of such magnitude and experience. The American Fruit Company are not going to see the Canadian National Steamships or any other corporation come into what they have come to regard as their private preserves, and cut into their business.

Sir Henry Thornton is an experienced railway man, but he is not a steamship man, and is not familiar with the production and handling of tropical fruits. The proper varieties of fruit must be produced; they must be suitably packed; they must reach the steamer at the right grade of maturity; they must be carried at proper temperature and with good ventilation. Most important of all, there must be a competent marketing organization to handle the sale of the products when they arrive in Canada.

The Canadian National Steamships need at once a $50,000 a year manager for their West Indies steamship service. He must be a high-

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BRANCH LINES SEEN AS HELP FOR SOO MILL

Algoma Plant Goes On Double Turn Next Week

BUSY UNTIL SUMMER

Lake Superior Corp. Stock Moves Up as Railway Building Programmes in West Revealed

Forecast of important branch line construction by both Canadian National and Canadian Pacific Railways in the west has resulted in an advance of ten points, from 17 to 27¾, in the market value of the stock of Lake Superior Corp., holding company for Algoma Steel Corp. Some of the advance was not held, but the stock currently is selling around the 25-mark.

The steel mill at Sault Ste. Marie goes on double-turn on Jan. 20. This will be the earliest the rail mill has gone on double turn in any year since before the war. Orders at present on hand will keep the mill operating two shifts until the end of June and it is expected that further orders will be obtained as soon as the construction programmes of the two railways definitely are fixed.

Shipments to the West have already begun.

Algoma Central Helped

Rail fastenings and tie plates are being shipped with the rails, so that the eighteen-inch mill at Algoma also is operating two shifts. The eighteen-inch mill also is busy.

Algoma Central & Hudson Bay Railway will benefit from the rail shipments for the Canadian National at least until the opening of the navigation season enables rails to be shipped by water to Port Arthur or Fort William. It is probable that the Canadian Pacific will haul its own rails the whole distance, making connections from Sault Ste. Marie at Sudbury.

Long-term outlook for the rail mill at Sault Ste. Marie is promising in view of the probable annual addition to mileage of the railways in the West. The only other rail mill in Canada is at Sydney, C.B., so that all of the rail business from the West likely will accrue to Algoma Steel.

Will Enlarge Mill

Plans for Algoma include enlargement of the rail mill to permit the manufacture of 130-pound rails. So far 100-pound rails, in 39-foot lengths, are the heaviest demanded for the West, but Algoma lost two orders for 127 pound rails in the last two years because of its capacity being limited as to weight. The Michigan Central replacement rails are 127-pound. The Lackawanna (Buffalo) plant got the first order and the Sydney plant the second. Except for these orders, virtually all the rails imported were for relaying in private plants, etc.

Present shipments from the Soo for the Canadian Pacific are for British Columbia.

In addition to steel products, Algoma shipments of pig iron have improved, and coke shipments, particularly for the smelters in the Sudbury district, are heavier than ever before, and from present indications shipments of both pig iron and coke for the year 1929 should show a very decided increase. The new benzol plant is now to capacity, and shipments are going out at the rate of 140,000 gallons per month.

Will Help Parent Company

From Our Own Correspondent

MONTREAL.—The appreciation in the shares of Lake Superior Corporation, since their listing on the market, is doubtless due to the improved outlook for Algoma Steel Corporation, the chief subsidiary of Lake Superior. Though the other subsidiary companies, namely, the Algoma Eastern Railway, the Algoma Central, and the British America Express Company are all controlled by Lake Superior, Algoma Steel is, and

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Financial Chieftain

J. H. GUNDY, associated with Sir Herbert Holt in important companies such as Dominion Steel and Coal, Massey-Harris, Canada Cement, B.C. Power and others. From a new photograph.

SOON OPERATE CANADA MALT LATEST PLANT

Toronto Enterprise Expected to Add to Gross Profit

MAY CUT IMPORTS

Canada Malting Co.'s new malthouse on the Toronto harbor will be in operation about Feb. 1. There is considerable grain in the adjoining elevator. There was some unexpected delay in getting the malting equipment installed, but it is expected that the plant will be running smoothly within two or three weeks.

Operation of a malting plant at Toronto is expected to add materially to the earnings of the company. Plants already in operation in Montreal, Winnipeg and Calgary have been operating at capacity. In the 13 months ended Aug. 31, the earnings per share were $1.94. The company is paying $1.50 per year in dividends.

U.S. Competition Keen

No balance sheet has been issued since the original prospectus in the summer of 1927 but a statement issued at the annual meeting in November said that current assets were $2,236,613, against current liabilities of only $156,987. At that time it was estimated that $500,000 additional would be required to complete the Toronto plant. This expansion was particularly financed by the sale of some 15,000 additional shares of stock. These were allotted to shareholders on the basis of one in 12 at $30. There are 199,333 shares outstanding of 200,000 shares authorized.

Competition from United States sources has been very keen but it is understood that the company hopes to reduce the imports of malt when the Toronto plant gets into full operation. The company then will be able more economically to supply the Ontario brewers. Moreover, with all other plants of this company operating at capacity, the increase in the manufacture of beverages in this country in the last two years resulted in a shortage of manufacturing capacity. Except for a small concern operating on the Pacific Coast, Canada Malting Co. is the only maltster in Canada.

The stock range in 1928 was between 43½ and 26½. The issue is currently selling around 30. The opinion of the investment is that it is likely to be more stable than the related beverage industry but that nothing spectacular can be expected from a market point of view, at least until a definite upward trend in earnings is apparent as a result of the operations of the additional plant.

NEWSPRINT AT $55 NOW IS FORECAST

Hearst Might Revise Contract — Announcement is Expected Immediately

NEW MERGER RUMORS

Canada Power-Abitibi Merger Mentioned — Hearst in Picture?—Negotiations Entirely Secret

From Our Own Correspondent

MONTREAL—The newsprint negotiations are still hanging fire—but an announcement of the 1929 price is expected momentarily. During the conduct of the negotiations, no information on their progress has been forthcoming. The negotiations have been carried out virtually only between four interests namely: Abitibi, Canada Power, International Paper and William Randolph Hearst. Hence the paucity of information.

It is understood that Alexander Smith, head of Abitibi, and Harry Gundy, who represents the Holt newsprint interests, have been in virtually complete charge of the negotiations.

With only two or three men having any real knowledge of the developments in the situation, it has been possible to keep secret the results of the efforts toward creating a fair price level.

Independent Companies

Apparently, the smaller independent companies such as Eddy, Booth, Wayagamack and St. Lawrence, have been perfectly content to stand aside and allow the two major interests in the Canadian newsprint field to endeavor to improve the situation. In fact, Ernest Rossiter, the capable directing head of the St. Lawrence Paper Mills, has, until recently, been in California.

In the meantime, it is understood that the newsprint mills have not adopted the 80 per cent. scale of operations laid down at the recent conferences. The reason being that 1929 prices had still to be decided.

Apparently, the situation is developing more favorably. This week, all the newsprint stocks responded marketwise and bounced upward on a rumor that a $58 price had been set and that the stumbling block of the Hearst contract with International Paper had been eliminated.

$55 Looks Much Nearer

The $58 figure seems optimistic. But $55, it is felt, would probably be nearer the mark. In the meantime, there is nothing of an official nature indicating that Hearst will be willing to take his newsprint from International at a price larger than his contract of $51.75 a ton.

Apparently, due to the low priced Hearst contract, International Paper is not exactly en rapport with the Canadian newsprint industry as a whole. William Randolph Hearst, of course, would obviously be a shrewd buyer of newsprint, and would not be willing to purchase at higher prices unless he can see adequate reasons for doing so.

The stock market indicates—and the stock market usually is right—that Hearst has, to some degree at least, begun to see some of the ultimate future possibilities for himself in forcing the price of newsprint to a level at which the companies cannot make money. Then again, the governments of both Ontario and Quebec may have adopted an attitude on the development of timber in this country which might ultimately react unfavorably on the great U.S. publisher, provided he is still unwilling to revise his contract with International Paper.

May Reconsider It

Then again, there is always the possibility that Hearst might be induced to reconsider his contract provided that he was allowed to purchase some form of an interest in Canadian newsprint undertakings. Rumor already says that offers along these lines have come to him.

In the meantime reports emanating from New York indicate that negotiations leading to a merger between Abitibi and Canada Power are under way. The report seems unlikely and appears to be based solely on the fact that Alexander Smith and Harry Gundy have been in New York endeavoring to improve the situation.

If the imagination be allowed to run riot, though, concerning the present situation, it would be easy enough to outline a picture of a merger between these two giant organizations with William Randolph Hearst taking a financial interest in the new consolidation.

May be Logical, But . . .

Such a development seems logical as it would allow an upward revision of Hearst's contract with International, and entirely gibes with the rumors touching Hearst's possible entry into the Canadian newsprint picture.

Such developments, though, appear still to be in the realms of fancy rather than fact.

The Rail Fight in the North

Thornton Seeks to Reserve Northern Area That His Lines Plan to Colonize — Beatty Challenges C.N.R. Claim to North

C. N. R.
From SIR HENRY THORNTON'S Statement

"The Canadian National applauds the apparent intention of the Canadian Pacific railway to assist in the development of the north country, providing their assistance does not entail the exclusion of the Canadian National system from territory which it has already colonized, or caused to be colonized, and into which it has been well understood it intended to extend its lines in the immediate future. In this connection it should be mentioned that for more than twenty-five years the Canadian Northern and the Grand Trunk Pacific—and recently their successor, the Canadian National railways—have been extending their lines through the northern section of Canada.

"The Canadian National administration is anxious to promote the full development of the north country, but it is entrusted with the stewardship of a property which belongs to the people of Canada, and would be unfaithful to its trust if it did not demand that protection which a proper regard for the future of the property requires."

C. P. R.
From E. W. BEATTY'S Statement

"The branch line construction program of the Canadian Pacific will be based on the traffic necessities and the future prospects of the country, and will be governed by what we believe to be sound business principles. It constitutes no challenge to any other railway company, having been framed by our officers after careful examination of territory not now possessed of railway communication, and after proper appraisal of the areas affected. With respect to certain areas, in connection with which difference of opinion has arisen, no disposition to build was ever displayed by other railway companies until our plans became public property.

"In some quarters there has been revived the thought that the three Prairie provinces should be divided into spheres of influence so far as the two railway companies are concerned. . . . It is a doctrine to which the Canadian Pacific cannot subscribe. . . . it would confine the Canadian Pacific in its construction activities to what is left of the territory in the south, which area has now almost reached its maximum development as far as transportation is concerned, and would create for the Canadian National a vast reserve in the North where the full extent of the natural resources is yet not even known, and only the fringe of which is now served by the lines of the Canadian National."

New Wealth for P. E. I.

Prince Edward Island had a banner year agriculturally. Estimated values of the province's various crops are as follows: Field crops, $12,000,000; dairy crops, $1,250,000 potatoes, $11,000,000; hogs, $500,000; fisheries, $1,000,000; foxes, $1,500,000; pelts, $2,000,000; eggs, $660,000 (exported) and poultry, $250,000 (exported).

Stock Market

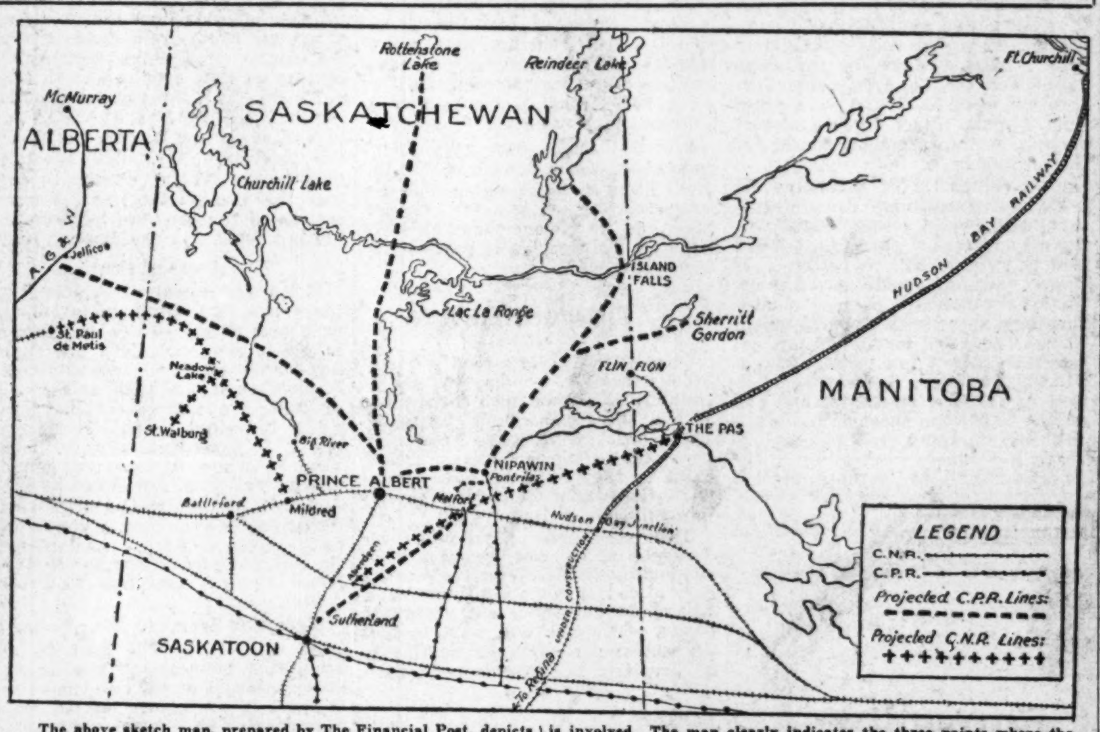
MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Jan. 16	107.9	102.1
Week of. Jan. 9	107.7	101.9
Month of January, 1928	95.6	81.6
8 Bank Stocks		
Week of Jan. 16	322	314
Week of Jan. 9	319	314
Month of January, 1928	298	287
10 Public Utilities		
Week of Jan. 16	118	115
Week of Jan. 9	119	116
Month of January, 1928	111	104

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	2	4	2	8
Paper	12	6	4	22
Steel	30	5	16	51
Foodstuffs	21	15	22	58
Utilities	7	10	20	37
Tractions	3	5	6	14
Textiles	7	7	8	22
Industrials	37	28	48	113
Total	119	80	126	325

Rail Companies in Struggle for Control of New North



The above sketch map, prepared by The Financial Post, depicts the scene of the opposing branch line programs of the Canadian National and Canadian Pacific Railways. The approximate plans of the two roads are indicated. As this is written, the Canadian National has not outlined its program, but it is believed that it will follow the lines shown above.

Control of the traffic expected from the rich mineral, timber, water power, and agricultural resources of Northern Saskatchewan is involved. The map clearly indicates the three points where the two railways overlap somewhat in their program: (1) between Saskatoon and Melfort; (2) between Prince Albert and the Alberta and Great Waterways Railway and (3) in the general direction of Flin Flon and Island Falls.

C.P.R., through Consolidated Smelters, controls mineral deposits as far north as Rotterstone Lake.

RECAPITALIZED DRYDEN PAPER STARTS ANEW

Debenture Holders Take 10,000 Shares of Stock in Lieu of Arrears

PROFITS STILL GROW

Shareholders Learn of Profits During Five and One-Half Years Under Receivership

From Our Own Correspondent

MONTREAL.—At a special general meeting of the Dryden Paper Company, the shareholders authorized the change in the capitalization of the company and the president announced an issue of rights to the shareholders on the basis of two shares for every five now held. The issue price of the new stock is $25 a share. At current market prices of 33, this makes the rights worth about $3 a share on the present stock.

When the rights have been exercised by the shareholders, the outstanding capital stock will total 140,000 shares. But a further 10,000 shares are being accepted by the debenture holders in lieu of their arrears of interest.

The market valuation of the shares being handed to the debenture holders have had to forego in interest over the past five and a half years.

Lost About $330,000

The debenture stock is outstanding to the extent of $1,000,000. It carries an interest rate of 6 per cent. This makes the annual fixed charges on the issue $60,000 which, multiplied by 5½ years totals $330,000, or the exact equivalent of 10,000 shares of new Dryden stock at its present level of about $33 a share.

The company is shortly to issue $1,500,000 in new, 6 per cent. bonds. The fixed charges on this issue will amount to $90,000 annually. This figure compares with net earnings available for bond interest and depreciation in the fiscal year ending September 30 last of $210,252.

The proceeds of the new bond financing and the common stock financing will retire the company's $1,000,000 in debentures, $304,000 in notes, and bank loans of $550,000, and in addition leave the company with $200,000 in cash on hand.

Earnings Are Growing

The company's earnings continue to increase. For the first three months of the current fiscal year, which commenced October 1 last, net earnings amounted to $66,033 or nearly 2½ times the total for the corresponding period of 1927. During that quarter the net amounted to $28,467. These figures were given out by the president at the special general meeting of the shareholders at which the change in the capitalization was ratified.

On the earning basis experienced during the past three months, earnings during the current fiscal year should amount to around $264,000. This last figure corresponds with a net in 1928 of $210,252.

New Capitalization

The capitalization of the Dryden Paper Company now consists of an authorized issue of $2,000,000, 20 year, first mortgage, sinking fund, 6 per cent. bonds, of which $1,500,000 is to be issued, and 150,000 shares of no par value. All the common shares will be outstanding.

Say Dominion Coal Preferred May Gain in Reorganization

Canada Vinegars Pays its Bank Loan

Annual meeting of Canada Vinegars has been called for January 22. The report is not yet available but it is understood that it will show an improved position. Bank loans have been eliminated. The company is paying dividends at the rate of $1.50 per year on the 92,000 shares of common stock, which is currently selling at 36.

Low prices of industrial alcohol have assisted this company in the last year and there has been an increasing demand for vinegar. The report will cover the six months ended November 30, 1928.

Beauharnois Action Soon Opinion Now

From Our Own Correspondent

MONTREAL.—The application of the Beauharnois Light and Power Company to develop 350,000 horsepower on the St. Lawrence will be granted immediately, according to informed opinion here. All the interests hostile to the scheme have had their say before Cabinet Ministers at the public hearing this week and have, of course, also privately called the attention of the government to their objections to the project.

The intentions of the Beauharnois syndicate are known far and wide throughout the Dominion and now, apparently, the government must act either one way or other on the application. The application could be granted, it could be turned down flat, or it could be turned over to a parliamentary committee at the forthcoming session for their consideration.

For Government Action

However, informed opinion both here and in Ottawa feels that the application will be dealt with by the government itself and not by a committee. The government, therefore, will either have to grant the application or turn it down. Should the application be turned down, such action would be almost certain to estrange the Liberals of the province of Quebec who have enthusiastically supported the undertaking.

Moreover, Liberals of Ontario would not be particularly pleased at developments of this kind as the Ontario Hydro Electric Commission will purchase power from the Beauharnois plant if, as and when it is completed.

For these, and for several other political reasons, opinion here is inclined to the belief that the Beauharnois syndicate will obtain virtually an immediate and favorable action on its application.

WIND UP CREDIT CANADA, LTD.

The business of Credit Canada, Ltd., will be wound up under an order of the courts, on petition of R. A. Roy. The petition declares that the company is insolvent and unable to meet its obligations as they mature.

Stock, Selling at 95, Has $35 of Dividend Arrears

EARNS ITS DIVIDEND

Possible It Would be Called and Call Price is 125 — Basic in Besco Picture

From Our Own Correspondent

MONTREAL.—Of all the securities of Besco and its subsidiaries, the preferred shares of the Dominion Coal Company appear to occupy one of the most attractive positions. The shares are regarded by those with a knowledge of the company as particularly suitable for a business man with a diversified list who is willing to wait for profits.

Although the company is not paying dividends on the preferred, yet these dividends are being earned four times over. Moreover, unlike some of the other Besco companies, the coal company is not financially top heavy with too large issues of senior securities. The stock is at present some $35 a share in arrears with its dividends and its call price is 125.

The Dominion Coal Company is undoubtedly the dominant producer in the whole Besco chain of industries. The operations of the Dominion Iron and Steel in Sydney are entirely dependent on the production of coal by the Dominion Coal Company.

Based on Sydney

In turn, several of Besco's other industries such as Nova Scotia Steel and Coal, and smaller companies such as James Pender and Company, are dependent for their raw materials on the production of iron and steel from the Dominion Iron and Steel's plants at Sydney. The operations at Sydney, both coal and steel, are the basis on which is virtually founded the entire industrial structure of the British Empire Steel Corporation.

The Dominion Coal Company has only a moderate funded debt, amounting in all to some $7,500,000. This figure compares with properties carried on the books at a total cost of $39,447,000. The balance sheet shows a depreciation deducted from the cost of properties of $12,872,000; hence, depreciated fixed assets on the company's balance sheet amount to $26,575,000 as against a present bonded indebtedness of only $7,500,000.

Only Two Bond Issues

The funded debt of the company consists of only two issues. One 5 per cent., first mortgage issue of $4,000,000 and a $3,500,000 issue of 6 per cent. income bonds entirely owned by the Dominion Steel Corporation, the parent holding company of the Dominion Iron and Steel and the Dominion Coal Company.

The sinking fund operating on the first mortgage reduces the outstanding bonds by $329,000 annually. The last balance sheet as at December 31, 1927, shows first mortgage bonds outstanding to the extent of $4,365,500. By this time the outstanding bonds will have been reduced to close to the $4,000,000 mark.

Ranking immediately junior to the $3,500,000 in income bonds comes the $3,000,000 issue of preferred, of which, the British Empire Steel Corporation some time ago owned over $200,000. The remainder of the stock is publicly held.

Unsatisfactory Feature

In attempting to assess the merits of the preferred shares, though, there is one unsatisfactory feature of the last available balance sheet. This is the fact that in the liabilities the company shows loans, covered by demand notes, and balances payable to other companies within the British Empire Steel Corporation of around $4,000,000. However, current liabilities at the end of 1927 amounted to only $713,000 making a total of $4,700,000 in the liabilities other than funded debt, reserves, surplus and stock outstanding.

But offsetting this $4,713,000

(Continued on page 2, col. 5)

English Electric Co. Pays on New Shares

Directors of English Electric Co. have declared a dividend, payable January 15, to shareholders of record December 31, at the rate of $1.50 per annum on the Class A stock. This is equivalent to $3 per year on the old 8 per cent. preferred stock.

By the scheme of arrangement which has been approved after some delay, the 20,000 shares of 8 per cent. cumulative preferred, were converted into 40,000 shares of Class A common. In lieu of arrears, preferred holders also get one-half of Class B stock.

Class A stock has preference as to dividends up to $3. Between $3 and $4, it shares equally with the 40,000 shares of Class B common, of which 10,000 shares have been distributed among Class A holders, and the balance of which is held by the former holders of the common stock, of which there were 30,000 shares. After $4 in dividends has been paid on the Class A stock in any one year, future disbursements are limited to the Class B shares.

C. N. R. PLANS OVERLAP C. P. IN TWO SPOTS

Rail Controversy Breaks Out With Fierce Intensity

C.P.R. PRINTS PLANS

National Will Follow Suit At Once With Details of Lines It Wants to Construct

From Our Own Correspondent

OTTAWA.—Last week The Financial Post said that while the fight between the two great railways in regard to branch line extensions had not got on the front pages of the newspapers it was certain, within a few weeks to dwarf all other political issues in importance. The prophecy came true with a vengeance within twenty-four hours of the publication of The Post's despatch, which also outlined some of the points at issue between the C.P.R. and the C.N.R.

The branch line controversy has developed with a suddenness unforeseen at the capital, and now promises to occupy the political stage to the exclusion of all other public business by the time the session of parliament begins on February 7.

Late last week the Canadian Pacific Railway, made an official announcement showing the charters which that company would seek from parliament. The lines as outlined in this announcement, with the exception of uncontroversial mileage in British Columbia and Ontario, are shown in the map which is reproduced in this issue of The Financial Post.

The National Railways has not yet made any official announcement of its branch line program for this year, but Sir Henry Thornton in attacking the Canadian Pacific program, has asserted that the full details of his own, will be forthcoming in a short time. The Post herewith announces what that program will be, in the main outline. It is not claimed that the forecast of the National program is accurate in detail. When the official announcement appears, it may be found that the actual starting points for some of these branches are not the same as are given in this article, but in rough outline it is claimed that this forecast is accurate and dependable. It discloses the general extension policy of the National, just as the official announcement discloses the full policy of the Canadian Pacific Railway.

The mileage contemplated in the Canadian Pacific Railway program, exceeds 1,200 miles, and the chief objectives of the company are to gain a foothold in the northern Saskatchewan field, particularly the new mineral areas in the vicinity, and to the north of Lac la Ronge, and to provide outlets from the central part of Saskatchewan, to the Hudson Bay railway, with a view, no doubt, to the inauguration in 1930, of the Hudson Bay route.

In addition, the Canadian Pacific desires to strike a line across the north-western corner of Saskatchewan, tapping the Alberta Great Waterways railway at the west end, and swinging down to the main network of railways in the central part of Saskatchewan at Prince Albert.

From the viewpoint of the National Railways, the program calls for the building of about 600 miles of

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BRANCH LINES AS HELP FOR SOO MILLS

(Continued from page 1)

always will be, the big producer of this great project at Sault Ste. Marie The improvement in the steel industry in Canada, and the possibility of some favorable action in the tariff situation surrounding it, places Algoma Steel in a stronger position than it has held for many years.

The securities of Lake Superior Corporation in the hands of the public are as follows: 400,000 common shares, par value $100; $2,215,850 non-cumulative income bonds, due October, 1929, and $5,278,000 first and collateral trust bonds, due 1944. The income bonds will probably be exchanged for preferred stock, par value $5, and the common will be converted into new no par value stock. The first mortgage bonds are secured by the deposit of $5,800,000, Algoma Steel purchase money, 5 per cent. bonds.

Large Interest in Algoma

Lake Superior's holdings in Algoma Steel consist of these $5,800,000, 5 per cent. bonds, and all the capital stock, consisting of 100,000 shares of 7 per cent. preferred stock and 150,000 shares of common, par value $100. Dividends on this preferred stock are 90 per cent. in arrears.

The only other securities of Algoma Steel consist of $15,353,233, 5 per cent., first mortgage bonds, which are held by the public.

It can be seen that Lake Superior Corporation has a large equity in Algoma Steel. If Algoma Steel becomes a revenue producer, a large proportion of earnings will accrue to the parent company. Viewed in this light, the position of Lake Superior's common shares is interesting.

Algoma Steel is making money this year. For the first five months of the fiscal year ended November 1, 1928, it showed net earnings of $1,125,000—a gain of $1,000,000 over the previous year figure. Surplus for the same period was $626,000 as compared with a deficit of $361,900 in 1927. Net earnings for the same period for the Lake Superior Corporation were $1,326,000 — a proof that Algoma Steel figures almost entirely as the revenue producer for the corporation.

Earnings Up To Estimate

Estimated earnings for the current fiscal period are $3,000,000. At the present rate of earnings it seems that this figure will be bettered. If these earnings continue, Algoma Steel Corporation will be in a position to go ahead with its development plans. These call for an ultimate expenditure, over a few years, of about $12,000,000. They include, in addition to the new structural and rail mill, a 50,000 ton sheet mill, diversified for stamping, roofing, and so forth; a complete overhauling of the merchant mill to increase present capacity by 100 per cent. and allow a wider diversification of products; and finally, a combination skelp and strip mill. Earnings will have to be ploughed back into plant development, but at the same time Lake Superior's equity will increase proportionately.

Algoma Steel has tremendous ore reserves in the Algoma country north of the Soo. At present the steel plant purchases its ore from Duluth and Superior, but eventually it may turn to its own sources of supply, when the ores in the United States are exhausted.

The physical location of the plant is ideal. Shipping facilities to all points of the Great Lakes are available from the company's own docks, and the company is well able to serve the Canadian markets from Montreal to Vancouver.

Provided that the government makes some favorable changes in the tariff situation surrounding the steel industry, the outlook for Algoma Steel and its parent company Lake Superior Corporation is particularly favorable.

A Helpful Counsellor

"When all is done, the help of good counsel is that which setteth business straight." —Bacon.

Crown Trust Company

Executors Trustees Agents

Safety Deposit Vaults

393 St. James Street MONTREAL

NATION'S BUSINESS

(Continued from page 1)

grade executive, who has secured his training with some such corporation as the American Fruit Company. This man should really have been appointed before the steamers were built, so that he could have supervised the construction of refrigeration and cold storage system.

There are great possibilities for development of trade between Canada and the British West Indies. We have already made a big investment. Before further funds are voted the people of Canada will want to feel the management of the service is in competent and experienced hands.

* * *

INVITE B. W. I. PRESS

THE Press Association of the British West Indies is meeting in Barbados next week. The Canadian National Steamships jointly with the Canadian Press, should cable an invitation to this Association to hold their next meeting in Canada some time during our summer season.

It would be of great value to Canada to have the press of the British West Indies well informed regarding our industrial development, and the delightful summers we have in all parts of Canada. These press representatives would tell us something of the fruit and vegetables they can sell us, and of their salubrious and equable climate. Such a visit should encourage the interchange of goods and should increase travel between these two important parts of the British Empire. We need to know each other better.

This meeting of the press of the British West Indies in Canada, might be followed at some later period by the Canadian Press holding their annual meeting at some one of the delightful islands of the British West Indies.

C.N.R. PLANS OVERLAP C.P. IN TWO SPOTS

(Continued from page 1)

railway, and envisions the providing of an air route from Saskatoon in the centre of the rich agricultural country of that province north-west to The Pas. This is the object of building the Aberdeen-Melfort branch and of extending the branch along the Carrot river valley. Also the publicly owned system, desires to capture the area in the north western section of the province between the present lines and the Beaver river.

Two Areas of Conflict

It becomes apparent at once, that there are two areas in which the programs of the two companies are in direct conflict. Both are fighting for the north western section of Saskatchewan, and both, as a matter of fact, are asking parliament to grant the right to build over precisely the same right of way. Likewise both are desirous of getting direct lines from Saskatoon to Melfort. In looking at the map which illustrates the position, it should not be forgotten that the Canadian Pacific now possesses a charter to build from Nipawin westward to Prince Albert.

Mediation Seems to Have Failed

As reported in The Post of last week, the government has exerted every pressure on the two companies to meet in conference and to reach agreements in these contentions matters. These efforts at mediation, however, seem to have failed for the simple reason that the conflict in interest is too direct to be removed by discussions and conferences. Both railways want certain areas, and are prepared to fight to the finish rather than yield. Both seem very confident that parliament will decide in their particular favor and therefore both await with confidence the ultimate show down which will take place before the railway committees of the House of Commons and the Senate.

The cabinet ministers already are feeling the full force of the political gale which has blown up in the west. The mails are flooded with letters from electors, resolutions from responsible organizations and public bodies, and private advice from members of parliament. No less than a half dozen delegations already have come all the way from northern Saskatchewan to Ottawa to support the proposals of the Canadian Pacific as against the Canadian National. One of these delegations, which included many prominent local men, came from Prince Albert, and waited on the Prime Minister who happens to represent that constituency in the Commons. One thing seems pretty clear and that is that the Canadian Pacific is not without friends in the west.

Nevertheless the National railways is by no means unsupported in this branch line battle, and perhaps realizing that to sacrifice the interests of the publicly owned system would incur great political danger, the cabinet devoted considerable time to a discussion of this problem early this week. It was not possible to go into detail, because only one branch line program was officially known. But the cabinet appears to have agreed that the Canadian National must get a square deal in the coming fight, and that it would be suicide for the government to be jockeyed into a position where it appeared more solicitous of the C. P. than of the C. N.

SAY DOMINION COAL PREFERRED MAY GAIN IN REORGANIZATION

(Continued from page 1)

liability, the company showed liquid assets of $5,452,000 which still left the Dominion Coal Company with a satisfactory working capital. Of the current assets totalling $5,452,000, $2,627,000 was in inventories and the remainder consisted of accounts receivable, investments and cash on hand. All in all therefore, the balance sheet picture of the company cannot be regarded as being unfavorable.

In 1928, Dominion Coal experienced a very substantial decline in net profits. The excellent 1927 figures were the result of the combination of a variety of favorable factors. In the meantime, the earnings situation of the company appears to be improving and the management, with recently adopted improved mining methods coupled with the continued co-operation of its miners, expects better profits in 1929.

The decline in profits of Dominion Coal in 1928 has had some effect on the price of the shares. The latest trade was at a price of $88. However, a temporary drop in profits would hardly affect every seriously the speculative, long-pull merits of the preferred due to the fundamental position occupied by the shares in the Besco picture, coupled with the possibilities the shares hold in the eventual reorganization of the present corporation.

The following figures show the income account of the company for the twelve months period ending December 31; 1927:

Operating profit	$2,297,832
Depreciation and sinking funds	730,000
Interest on bonds	221,508
Interest on Cumberland Rly bonds	130,725
Bond discount	17,344
Interest on income bonds	210,000
Applicable to stock	$ 988,255

Four Times Requirements

It will be seen from the foregoing figures that net profits after all charges in 1927 amounted to close to the $1,000,000 mark. As there is outstanding only $3,000,000 in 7 per cent. cumulative preferred, the annual dividend requirements of the preferred stock amount merely to $210,000. Earnings in 1927 was therefore equal to well over four times the dividend requirements.

The foregoing attempts to summarize briefly the facts surrounding the shares. The value of any security, though, is not entirely assessable from these facts.

Now Sell About 95

The low for the stock in 1928 was $75 and the high $98. The present price is around $95—although there is little trading in the shares which are listed on the Montreal Stock Exchange.

Deducting the dividend arrears of $35 a share from the present price of about $95 places a market valuation on the shares themselves of only $60. This has every appearance of being a remarkably low price for a security on which dividends are being earned by a wide margin, particularly as the Dominion Coal Company is, in reality, the basis of all the operations of the largest industrial in the Dominion, namely the British Empire Steel Corporation.

The shares have other potentialities. These potentialities are not in the realm of fact as yet, but they can be said to be excellent possibilities. Besco is to be recognized. The reorganization may not come immediately—but it is bound to come sooner or later. In any such reorganization the owners of the Dominion Coal preferred seem virtually certain to fare satisfactorily due to the fundamental position which their stock occupies in the whole complex financial structure of Besco.

The British Empire Steel Corporation which in turn is the holding company owning all the common shares of the Dominion Coal and the Dominion Iron and Steel Company, not to mention several other smaller organizations such as the Cumberland Railway and Coal Company and James Pender and Company. Incidentally the Cumberland Railway and Coal Company is leased to the Dominion Coal Company, one of the terms of the lease being that the Dominion Coal absorb the annual bond interest charges of the railway company. Hence, the foregoing income account of the Dominion Coal shows a deduction of $130,725 being the interest on that railway's $2,600,000 bond issue.

Might Be Delayed

While it is possible that the Besco reorganization may be delayed still further, yet even now there are rumors that the receivership of the Dominion Iron and Steel is to be lifted. Probably, this could only be accomplished by those controlling the British Empire Steel Corporation purchasing the $5,000,000 first mortgage bonds of the Dominion Iron and Steel. This issue is apparently the basic factor in the situation.

Should this take place, it would mean new financing. And in any new financing by Besco, the Dominion Coal would undoubtedly have to form part of the security because of the fundamental position it occupies in the Besco picture. In other words, in such a deal the preferred shareholders would be in a position to obtain their pound of flesh—or at worst at least to receive a very satisfactory offer for their holding.

All groups of security holders of the corporation will ultimately have to forego some of their present advantages to assure the future progress of the new corporation.

Might Be Called?

In any event, when the Besco reorganization is finally formulated, the Dominion Coal Company will most certainly occupy a fundamental position in the picture and it is more than within the bounds of possibility that the preferred shares might have to be called at $125. If this took place, the shares with their present arrears would have total value of $160.

Assets Increased by One-and-a-half Millions

The Statement of Comparative Figures given below shows the Growth of the Company's Business during 1928, which has been the greatest year of expansion in the Company's History.

	1927	1928
Paid-up Capital and Reserve	$3,500,000.00	$4,500,000.00
Savings Deposits and Debentures	5,650,134.89	6,424,502.06
TOTAL ASSETS	9,674,983.07	11,230,037.35

Board of Directors

President
E. R. WOOD
President Dominion Securities Corporation, Ltd
Vice-President Canadian Bank of Commerce
Vice-President National Trust Company, Limited

Vice-Presidents
G. A. MORROW
President Imperial Life Assurance Company
H. C. COX
Chairman of the Board Canada Life Assurance Company
LEIGHTON McCARTHY, K.C.
President Canada Life Assurance Company

W. G. MORROW
Vice-President and Managing Director Toronto Savings and Loan Company
E. T. MALONE, K.C.
Vice-President Toronto General Trusts Corporation
W. S. HODGENS
Vice-President Dominion Securities Corporation, Ltd.
A. B. FISHER
Vice-President Canadian Real Estate Company, Limited
A. H. COX
President Provident Investment Company

Secretary:
W. J. HASTIE

1928 Annual Statement

ASSETS

Office Premises—		
Company's Property, cor. King and Victoria Streets, Toronto		$250,000.00
Mortgages—		
Principal	$1,377,963.71	
Interest	29,374.79	
		1,407,338.50
Loans on Bonds and Stocks (All repayable on demand)		2,370,440.05
Bonds and Stocks owned—		
Bonds of Dominion of Canada and Provinces thereof	$1,492,186.11	
Other Bonds and Debentures	2,045,489.87	
Stocks	3,096,868.58	
		6,634,544.56
Cash—		
On hand and in Chartered Banks		567,714.24
		$11,230,037.35

LIABILITIES

To the Public—		
Debentures		$1,412,512.18
Deposits		5,011,989.88
To the Shareholders—		
Capital Stock: (Authorized $5,000,000.) 25,000 Shares, fully paid up		2,500,000.00
Reserve Fund	$2,000,000.00	
Dividend, due Jan. 2nd, 1929.	75,000.00	
Special Bonus, 3% due Jan. 2nd, 1929	75,000.00	
Profit and Loss Account	155,535.29	
		2,305,535.29
		$11,230,037.35

PROFIT AND LOSS ACCOUNT
For the Year ending December 31st, 1928

Balance at Credit of Profit and Loss Account, December 31st, 1927	$367,348.18
Net Profits for the year, after deducting all Management and other expenses, Interest on Deposits and Debentures, and making provision for all losses	390,687.11
	$758,035.29
Appropriated as follows:—	
Quarterly Dividends, Nos. 176, 177, 178 and 179, amounting to 12% on the Company's paid-up Capital	$277,500.00
Special Bonus of 3% for the year 1928	75,000.00
Transferred to Reserve Fund	250,000.00
Balance carried forward	155,535.29
	$758,035.29

Surplus of Assets over Liabilities to the Public over $4,800,000.00

CENTRAL CANADA
LOAN AND SAVINGS COMPANY

Interest Paid 4% on Deposits

Head Office TORONTO
ESTABLISHED 1884
Branch Office OSHAWA

GENERAL STEEL WARES LIMITED

Notice is hereby given that a dividend of 1¾% has been declared on the Preferred Stock of this Company for the quarter ending January 31st, 1929, to shareholders of record on the registers at the close of business January 15th, 1929, payable on February 1st.

(Sgd.) D. W. DICKSON,
Secretary.

Toronto, Ont.

NOTICE OF DIVIDEND

The Ontario Equitable Life and Accident Insurance Company

DIVIDEND NO. 6

Notice is hereby given that a Dividend of three per cent. (3%) for the half year ending December 31st, 1928, being at the rate of 6% per annum, has been declared on the paid-up capital stock (for the time so paid up) of the Company, payable February 1st, 1929, to shareholders of record at the close of business January 16, 1929.

By order of the Board.

M. J. SMITH,
Secretary.

Waterloo, Ont., January 14th, 1929.

W. A. Mackenzie
& Co., Limited
67 Yonge Street, Toronto
Telephone Elgin 7241
W. A. MACKENZIE
Member
Toronto Stock Exchange
Orders executed on all Exchanges. Same careful attention given to small orders as well as large.

THE ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter, 1727
Capital (fully paid) £2,500,000
Rest or Reserve Fund, (Oct., 1927) £2,683,226
Deposits (Oct., 1927) £44,186,574
Governor:
His Grace the DUKE OF BUCCLEUCH AND QUEENSBERRY, K.T.
Deputy-Governor:
Rt. Hon. the EARL OF STRATHMORE AND KINGHORNE, G.C.V.O.
HEAD OFFICE: EDINBURGH
General Manager:
Sir Alexander Kemp Wright, K.B.E., D.L.
Secretary: J. B. Adshead.
LONDON CITY OFFICE:
3, Bishopgate, E.C. 2.
LONDON (WEST END):
DRUMMONDS BRANCH, 49, Charing Cross, S.W. 1.
GLASGOW (PRINCIPAL) OFFICE:
Royal Exchange Square and Buchanan St.
224 Branches throughout Scotland.
Every description of British, Colonial and Foreign Banking Business transacted.
Accounts opened and Agency Business undertaken for Foreign and Colonial Banks and other Financial Establishments.
CORRESPONDENCE INVITED

ENVELOPES
MACHINE OR HAND MADE
PRINTED OR PLAIN
TORONTO ENVELOPE CO., LTD.
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Flowers Telegraphed Everywhere
COOPER
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ELgin 3745-6
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Member of F. T. D. A.
Dunlop's Limited
CHOICE FLOWERS
8 to 10 West Adelaide St.
TORONTO
Flowers Telegraphed Anywhere

HIGHER ACCOUNTING
Courses under the personal direction of W. S. Ferguson, C.A., given through the Shaw Schools, Toronto, will qualify you for any known degree given by Canadian Associations. Please write Dept. P, Bay & Charles, for particulars.

CUSTOM MADE SHIRTS
Reasonably priced
Write for Samples, Etc.
JOHN BUDD
110 Adelaide St. W., Toronto

FILMART MOTION PICTURES
Specializing in the production of mining and industrial motion pictures.
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MONROE CALCULATING MACHINE
GIVES YOU—
AUTOMATIC DIVISION ADDITION MULTIPLICATION SUBTRACTION
Ask Us to Demonstrate
O. H. PIERCE
358 Adelaide St. W., Toronto
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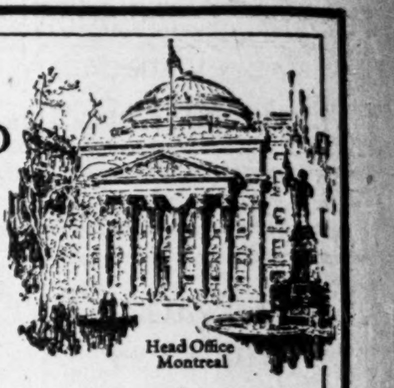
EVERY BANKING NEED



WITH hundreds of Branches throughout the Dominion and close connections with leading financial institutions the world over, the Bank of Montreal has an organization equipped to handle business effectively anywhere at any time, and it is constantly engaged in serving Canadian business men wherever their enterprises reach.

BANK OF MONTREAL
Established 1817
TOTAL ASSETS IN EXCESS OF $870,000,000

"And very nice too, Sir!"

You will doubtless be of the same mind when---

you see the fine English materials the "Shirts-to-Measure" shop has stocked for cold weather wear. Wool taffeta at $7.50, Viyella twill flannel at $8.00, and silk and wool at $9.50. It's fashionable to be comfortable. Place your order now!

The "Shirts-to-Measure" Shop
MAIN FLOOR—QUEEN
THE T. EATON Co. LIMITED
TORONTO CANADA

A Business Man's shoe in every sense.

Taplin Natural Tread Shoes
Foot Discomfort Not Necessary
Our methods provide for and against all foot peculiarities, weariness or soreness. We have specialized for 14 years. Misfits replaced. Free catalogue and measurement forms sent on request. Highest quality. All widths.
Natural Tread Shoes Distributing Co. Ltd.
Toronto
18 Bloor St. West (Formerly 32 King West). Kings. 1910.

Use Our Drafts

when you have occasion to remit money. Issued in any desired amount without delay or formality at any Branch of this Bank.

THE BANK OF NOVA SCOTIA
Established 1832
Capital, $10,000,000. Reserves, $20,000,000.
Total Assets over $265,000,000.

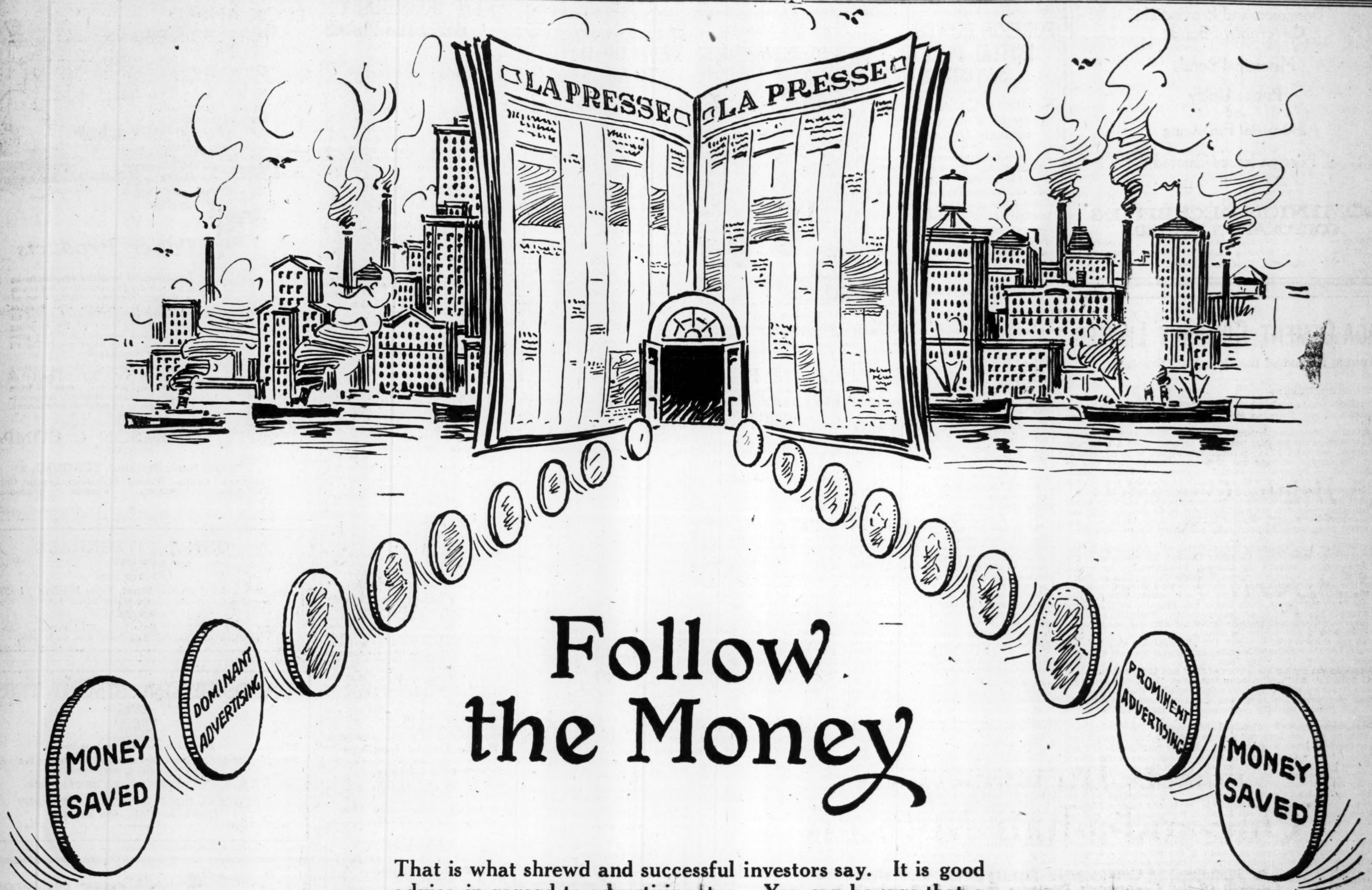
The Store for Men
ROSLYN Combinations
THESE famous combinations are sold exclusively by Simpson's. Knit in New Zealand from the finest of Australian yarns with the patent "Delta" finish. Canadian measurements and specifications including spliced seats and knees, ensure comfort, neat fit and long wear. They come in sizes 33 to 44.

$10
Light weight silk and wool with long sleeve and ankle length in natural shade. Suit, $10.

$8.50
Light weight all wool with long sleeve and ankle length in champagne shade. Suit, $8.50.

$8.50
Medium weight all wool with long sleeve and ankle length in natural shade. Suit, $8.50.

The Store for Men—Street Floor.
THE ROBERT SIMPSON COMPANY LIMITED



Follow the Money

That is what shrewd and successful investors say. It is good advice in regard to advertising, too. You can be sure that a newspaper which carries as large a volume of financial advertising as La Presse goes to readers who have money to save—money to spend.

La Presse is the dominant advertising medium in Metropolitan Montreal—the district that pays 90% of the income tax paid in the Province of Quebec.

Over 80% of this vast and prosperous market for your goods and services is French by race. Industrious and shrewd—they are always in the market for worthy products. They have proven themselves readily responsive to advertising whenever they see value.

If you have something to sell to people with money to spend, advertise in La Presse. Remember, the largest circulation in Canada reads La Presse daily.

Montreal LA PRESSE

Three dominant mediums—largest in their respective fields

(Daily--Farmers' Weekly--Coloured Roto Magazine)

Published entirely in French

Toronto Branch: Metropolitan Building S. L. REES, Mgr., Elgin 9652

Dominion and Provincial Government Bonds

Municipal Bonds

Public Utility and Industrial Financing

Foreign Issues Quoted

DOMINION SECURITIES CORPORATION LIMITED

MONTREAL LONDON, ENG. — Established 1901 E. R. Wood, President — WINNIPEG VANCOUVER

Head Office: TORONTO, 26 King St. E.

CANADA CEMENT COMPANY LIMITED

Annual Report of the Board of Directors

TO THE SHAREHOLDERS:—

Your Directors beg to present herewith a statement of the affairs and financial position of your Company for the fiscal year ending November 30th, 1928.

The generally prosperous business conditions that have prevailed throughout Canada during the past year have brought about a better demand for cement, and sales of our product have shown some increase in all districts. The largest increase was in Western Canada, and this increase enabled us to make a substantial reduction in Western prices during the year. This is in line with our policy of reducing prices when volume of business and economies in operation make it possible to do so.

Our export business has not shown the increase that had been hoped for. It is becoming more and more difficult for us to compete with the low labor costs and low freight rates of European competitors, and our export shipments have remained practically stationary for the past three years.

During the year your Company has disposed of its holdings in the securities of the Consumers Glass Company Limited. Its interests in the Pennsylvania Gypsum Company at Chester, Pennsylvania, have also been disposed of to the Atlantic Gypsum Products Corporation of Portsmouth, New Hampshire, with whom an arrangement has been made for supply of the raw gypsum rock required by our eastern plants. This rock will come from quarries in Nova Scotia now operated by that Company for the supply of rock for its own requirements. While this arrangement is in force our deposits of gypsum in Nova Scotia will not be operated, but will be held in reserve for the future.

Owing to the difficulty of draining the pit supplying clay for our Winnipeg plant, and the expense of handling and drying the very wet clay, it was decided to change that plant from "dry" to "wet" process. This change was carried out during the winter of 1927 and 1928, and the plant was put into operation on "wet" process last June. Improved operating conditions and increased efficiency have amply justified the change.

Additional clay properties have been purchased near our Belleville plant, which will provide the clay requirements for that plant for many years to come.

Your plants have been well maintained and are operating efficiently.

Your Company has now been carrying on systematic accident prevention work for the past seven or eight years, and the results obtained are very gratifying. During that time the number of accidents at our plants has been reduced by seventy-five per cent, and within the last three years four of our plants have succeeded in going through a calendar year without a single lost time accident, thereby winning the Safety Trophy offered each year by the Portland Cement Association. The reduction in accidents has been accomplished by a proportional increase in labor efficiency.

We believe that the results of our Accident Prevention work, and the fact that more than fifty per cent of our employees have been enabled to become shareholders in the Company through the Employees' Stock Distribution Plan, are largely responsible for our increased labor efficiency, and as our employees will continue to benefit in the future by a continuance of our Safety Work and by further opportunities to purchase stock through the Employees' Stock Distribution Plan, we confidently expect that our operating efficiency will continue to improve as it has in the past.

Concrete roads are steadily gaining in favor. The mileage laid in Canada during the past year has been greater than in any previous year, and we believe that as the public comes to realize their advantages there will be a strong and steadily increasing demand for them. Canada now has some 2,000 miles of concrete roads, the United States has nearly 100,000 miles. It is evident that there is room for great increase in our mileage.

The results of the year's operations, as shown by the Balance Sheet, will, we trust, be considered satisfactory.

All of which is respectfully submitted,

On behalf of the Board of Directors,

A. C. TAGGE,
President.

BALANCE SHEET, NOVEMBER 30, 1928

ASSETS

CURRENT ASSETS:				
Inventories			$ 2,924,050.53	
Accounts Receivable (less Bad Debts Reserve):				
Customers' Accounts and Bills Receivable		$864,137.87		
Other Accounts		105,172.91		
			969,310.78	
Deposits on Tenders			77,211.94	
Call Loans			750,000.00	
Cash			817,230.53	
				$ 5,537,803.78
DEFERRED CHARGES TO OPERATIONS:				121,825.20
INVESTMENTS:				
In the St. Lawrence Land Company (owning the Canada Cement Bldg., and other properties) and other Investments				4,727,651.20
COST OF PROPERTIES:				
Land, Buildings, Plant, Equipment, etc., less Depreciation				39,044,696.58
				$49,431,976.76

LIABILITIES:

CURRENT LIABILITIES:				
Accounts Payable			$ 954,383.73	
Bond Interest accrued and Unpresented Coupons			122,546.66	
Preference Dividend No. 4, payable December 31, 1928			341,241.43	
				$ 1,418,171.82
RESERVES:				
Fire Insurance			$ 152,949.81	
Extraordinary Repairs and Renewals			25,000.00	
Cloth Sacks Outstanding			150,000.00	
Industrial Accidents			20,000.00	
Contingent Reserve (a portion of which is available for Government Taxes)			230,000.00	
Preference Stock Sinking Fund			2,076.77	
				580,026.58
FIRST MORTGAGE SINKING FUND GOLD BONDS 5½% SERIES "A" DUE 1947:				
Authorized			$30,000,000.00	
Issued				20,000,000.00
PREFERENCE STOCK 6½% SINKING FUND CUMULATIVE:				
Authorized			$25,000,000.00	
Issued				21,000,000.00
COMMON STOCK AND SURPLUS:				
Surplus Balance November 30, 1927			$ 6,403,904.75	
Profit and Loss Account:				
Profits from operations for the year ending November 30, 1928, after making provision of $1,598,873.60 for Depreciation of Capital Assets		$ 3,074,900.19		
Deduct:				
Bond Interest	$ 1,100,000.00			
Fire Insurance Reserve	152,949.81			
Reserve for Extraordinary Repairs and Renewals	25,000.00			
Reserve for Cloth Sacks Outstanding	150,000.00			
Reserve for Industrial Accidents	20,000.00			
Contingent Reserve (for Taxes, etc.)	230,000.00			
Preference Stock Sinking Fund	2,076.77			
		1,680,026.58		
		$ 1,394,873.61		
Deduct:				
Dividends on Preference Stock		1,365,000.00		
			29,873.61	
A total of				6,433,778.36
represented by 600,000 Shares of No Par Value Common Stock out of an authorized issue of 750,000 Shares.				
				$49,431,976.76

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have examined the books and accounts of the Canada Cement Company Limited for the year ending November 30, 1928, and have obtained all the information and explanations which we have required; and we certify that, in our opinion, the above Balance Sheet at November 30, 1928, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company.

Approved on behalf of the Board:
A. C. TAGGE, Director.
H. L. DOBLE, Director.

PRICE, WATERHOUSE & Co.,
Auditors.
Montreal, December 31, 1928.

17

Big Air Merger in U. S.

The biggest merger to be consummated as yet in the aviation industry is the $150,000,000 merger of Pratt and Whitney Aircraft Corporation, of Hartford, the Chance Vought Corporation, and the Boeing Airplane and Transport Corporation, of Seattle. The name of the new company is United Aircraft and Transport.

Public Utility Investments

FOREIGN POWER INITIAL PERIOD SATISFACTORY

Eighteen Months' Profits Were $1 a Share—Management Optimistic

From Our Own Correspondent

MONTREAL.—The annual report of the Foreign Power Securities Corporation, covering the first year and a half of its operations during the fiscal period ending October 31 last, shows earnings available for income tax and the 125,000 shares of no par value, common stock of $147,530. Earnings during the period were materially in excess of the preferred dividend requirements.

The balance sheet shows total investments at a cost of $8,172,333. Other sundry assets bring the total assets up to the $8,256,370 figure. In the liabilities, the senior security of the corporation is its $5,000,000 of preferred stock which is followed by the common shares.

Current liabilities stand at $448,832 against current assets of only $52,400. A deficit in working capital though, in an investment company such as Foreign Power Securities is not significant. It may indicate that further financing will be undertaken shortly — or again it may indicate that the management contemplates the sale of some of its securities. In any event, the deficit of working capital in any investment company is not significant unless such a deficit represents a material proportion of the total securities held.

Income Figures

The income account figures hardly give any indication of the present position of this investment corporation as during the last fiscal year the amount of preferred outstanding was increased, thus increasing the annual preferred dividend requirements and at the same time augmenting the company's sources of income. Furthermore, earnings of the company's French subsidiaries have been showing steady increases month by month. The income figures follow:

	18 Months Period
Revenues from investments	$341,040
Profits on investments realized	122,820
Gross profits	$463,860
Interest	9,073
Expenses	15,746
Taxes	4,724
Net profits	$434,317
Preferred dividends	286,780
To profit and loss	$147,537

In his remarks to the shareholders, A. J. Nesbitt, the president of the company, outlines its activities during the year as follows:

"Electric development in France has been progressing at an increasing rate, and the possibilities in the rapidly growing electric industry have proven so attractive that your company has extended its activities and further added to its investment holdings. The expanding territory of l'Energie Industrielle has caused the earnings of this company to grow proportionately. A subsidiary was formed, the Société Françaíse Auxiliaire pour l'Electricité, which is jointly owned by your company and l'Energie Industrielle. This subsidiary has been in some instances the medium through which interests in other companies have been secured.

"A substantial interest was recently acquired in the Gaz de Lyon, a company supplying both gas and electricity to the city of Lyon and surrounding territory with a population of over a million, and control now rests with l'Energie Industrielle and the Société Française Auxiliaire pour l'Electricité. Your company, therefore, has a considerable interest in the Gaz de Lyon, both through its holdings in l'Energie Industrielle and its interest in the jointly owned subsidiary. Among the other companies in which large interests are held, are l'Union Hydro-Electrique Armoricaine which owns practically the only large hydro-electric development in North Western France, serving a wide area in central Brittany; in the Société Hydro-Electrique du Sud-Est, serving the South Eastern part of France, including such cities as Menton, Monte Carlo and other localities on the Côte d'Azur; and in the Société Hydro-Electrique des Basses Pyrénées serving the South Western part of France, including the cities of Bayonne and Biarritz.

"During the past year your company has secured a large interest in l'Energie Electrique Rhône et Jura, which is controlled by the Schneider group, owners of the large steel and armament works at Creusot. This hydro-electric company has important hydro-electric installations on the Rhône and is now in process of developing other water powers in the same area.

"Substantial interests have also been acquired in the Société Hydro-Electrique du Verdon which is undertaking an important hydro-electric development in the Southern part of France.

The securities held by your company are now quoted on the Paris Bourse at prices considerably in excess of their purchase; as an example, the shares of l'Energie Industrielle which were originally purchased at 150 francs, are selling at over 500 francs.

"France is internationally viewed as having entered upon a new era of prosperity and is rapidly developing her natural resources, among the richest of which is water power. Much has been accomplished along these lines during the past year and a greater development is forecast for the near future. It is fully expected that Foreign Power Securities Corporation, through its interests in well located power companies, will participate in this growth. Your directors feel that the future outlook is very bright.

BRAZILIAN REACTS AS RIGHTS OFFERED

Terms of Payments Will be Announced in Ten Days

As was to be expected, Brazilian common reacted on the announcement of rights to shareholders, the market previously having discounted the news to some extent. At current prices of $76 per share, the rights would be worth $5 per share. Shareholders of record are to be given the privilege of purchasing one new share at $40 for each seven shares held.

Directors of the company calculate that this will bring in about $31,000,000, of which $14,000,000 will be required for the purchase of the City of Santos Improvement Co., and the balance for other expansion which is planned by the directors. It is announced that convenient terms of payment will be arranged and that preferred shareholders who convert their holdings to common will be accorded the same privilege as the common shareholders.

Terms of payment and other details will be announced, it is said, in a week or ten days.

Appointed Manager

JAMES McGRAIL,
appointed manager of the savings and mortgage departments of the Capital Trust Corporation at Ottawa. Mr. McGrail was for many years with the Bank of Toronto.

CAN. P. AND P. INVESTMENTS PROGRESSED

Annual Report Reveals Excellent Progress by New Investment Company

From Our Own Correspondent

MONTREAL.—The annual report of the Canadian Power and Paper Investments shows that the company experienced a very satisfactory and profitable year in 1928 with earnings after allowances for preferred dividends of $3.38 a share on the 75,000 shares of common stock outstanding last month. The figures in the annual report, though, bear little relation to the present situation as this month the capital structure was changed materially. At the close of the fiscal year on December 31 last, the company had outstanding $1,250,000 in preferred. This is being redeemed and $2,500,000 in preferred issued in its place. The outstanding common is being increased from 75,000 shares to 100,000 shares.

The total assets of the Canadian Power Investments amount to $4,647,166. This figure is composed entirely of investments, call loans and cash on hand. Investments with interest accrued thereon total $4,340,117.

The liabilities show the $2,500 000 outstanding debentures together with the outstanding preferred and common stock with current liabilities of only at some $87,700.

Profit and Loss Account

The company's profit and loss account for the 1928 year, the first year in which there was any investment interest in the organization, follows:

	1928
Gross	$488,768
Expenses	33,123
Net	$455,645
Interest	101,754
Income tax	25,000
Balance	$328,891
P. & L. deficit	19,448
Surplus account	$309,443

President's Remarks

In his remarks to the shareholders, A. J. Nesbitt, the president of this investment company, makes the point that less than 25 per cent. of the funds are in pulp and paper securities. He said in part:

"Following is a partial list of the corporations whose securities are held by your company: Dominion of Canada; Canada Northern Power Corporation, Limited; Abitibi Power & Paper, Northwestern Utilities, Limited; British Columbia Power Corporation, Limited; Consolidated Gas and Electric Company of New York; Bathurst Power & Paper Company, Limited; International Utilities Corporation; McColl Frontenac Oil Company, Limited; Power Corporation of Canada, Limited.

"The above partial schedule of the securities in which your company is interested indicates in a general way the scope of its activities. Indications point to a continuance of the present level of prosperity in Canada and your directors have confidence in the future success and the increasing prosperity of your company.

Canadian Telephone Sold to Bell Telephone Company

From Our Own Correspondent

MONTREAL.—The Bell Telephone Company has purchased the Canadian Telephone Company, the sum being involved in the deal being about $70,000. The Canadian Telephone Company is a small organization with 1,150 subscribers operating in the Eastern Townships territory of the province of Quebec. Extensions to the property are contemplated.

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EAST KOOTENAY'S DEVELOPED POWER TO BE 35,000 H.P.

Company Made Substantial Progress During Past Year

From Our Own Correspondent

NELSON, B.C.—During the year just ended, the East Kootenay Power Company, saw its position with regard to the industries of the East Kootenay, and of the entire Crows Nest Pass—both British Columbian and Albertan—still further acknowledged and confirmed.

This corporation supplies electrical energy for light, heat and power, to the coal mines of both southwestern Alberta and southeastern British Columbia, the Sullivan mine and concentrator of the Consolidated Mining & Smelting Company of Canada, and the cities and villages from Hillcrest, Alta., on the east, through Blairmore and Coleman, to the British Columbia ones of Michel, Fernie, Coal Creek, Elko, Bull River, Cranbrook and Kimberley.

Among its customers are Hillcrest Collieries, International Coal & Coke company, Sunburst Collieries, Summit Lime Works, Crows Nest Pass Coal company, city of Fernia, city of Cranbrook, and the Consolidated for its vast and increasing operations at Kimberley.

Has Two Hydro Plants

The East Kootenay Power company, operates two hydro-electric plants, one at Aberfeddie, on the Bull river, and one at Elko, on the Elk river. In addition, in 1927 it completed the initial installation of a steam plant on Crows Nest lake near Sentinel, Alta. During 1928 it proceeded with the work of doubling the capacity of this plant, and the work will be completed about February 1. This steam plant operates with pulverized fuel, and is capable of utilizing coal from the highest quality, to coal of a very high percentage of ash.

During 1928 the demand for power increased to such an extent as to make necessary this doubling of capacity, and the company's output of electrical energy is now at the rate of about 75,000,000 kilowatt hours per annum. All of its services are assured by duplicate transmission lines.

Investment of $5,000,000

In 1928, also, the company acquired preliminary rights for the development of water power on the Elk river at the site known as Phillips Canyon, this site being believed to be capable of development to about 20,000 h.p.

Upon completion in ensuing weeks of the addition to the Sentinel steam plant, the company will have developed in toto 35,000 h.p., which will represent an investment of approximately $5,000,000. Development of the Phillips Canyon power will cost an additional $2,000,000. These figures strikingly indicate the confidence the company has in the future of the coal mining and metal mining industries of the territory described.

B.C. Power Corp. and Smelters in Deal?

From Our Own Correspondent

MONTREAL.—The B. C. Power Corporation is planning further expansion on Vancouver Island. Application has been made to the provincial government for the right to develop Campbell River falls. Immediate application is being made for the right to investigate the site which would develop between 40,000 and 75,000 h.p. Previously, though, the Crown Willamette Company also made application for the right to develop the site to be used in that company's pulp and paper mills.

It is intimated that if the B. C. Power Corporation obtains the site, the corporation has a large consumer of power in view which would require a large block of power and so provide a base load for the development.

It is rumored that the Consolidated Mining and Smelting Company is the organization which would use the power so developed. It is said that Smelters proposes to erect another smelting plant on Vancouver Island.

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'PEG ELECTRIC'S NEW SUBSIDIARY COMPLETES PLANS

Northwestern Power Begins Work on Seven Sisters Project

From Our Own Correspondent

MONTREAL. — Work will begin immediately on the development of Seven Sisters Falls by the Northwestern Power Company, subsidiary of the Winnipeg Electric Company. This new power development in Manitoba will increase the power available for manufacturing and other purposes by 225,000 h.p., the ultimate capacity of the output from this source.

The initial development at Seven Sisters will give the Northwestern Power Company an output of 112,000 h.p. operating under full head. The first power from this source is expected late in 1930.

Organization of the company was completed recently, and $15,000,000 will be required for the work at Seven Sisters Falls. The contract for the construction of the concrete dam, still ways and sluices, together with the concrete foundations and substructures for the power houses, were awarded to Carter Halls Aldinger company.

The following directors constitute the board of the Northwestern Power Company: Edward Anderson, W. R. Bawlf, W. J. Bulman, N. J. Breen and J. B. Coyne, of Winnipeg; A. J. Nesbitt, P. A. Thompson and J. B. Woodyatt, of Montreal, and S. L. Fuller, of New York. Directors subsequently elected were Edward Anderson, president; W. R. Bawlf, vice-president, and Lawrence Palk, secretary.

Following the resignation of A. W. McLimont, Edward Anderson, K.C., has been appointed president and general-manager of the Winnipeg Electric Company. Mr. Anderson is also the president of the Winnipeg Electric subsidiary companies, the Manitoba Power Company and the Northwestern Power Company.

Quebec Power Company to Change Its Charter

From Our Own Correspondent

MONTREAL.—Following the annual general meeting of the Quebec Power Company on February 12, there is to be a special general meeting of shareholders to authorize the management to apply for supplementary letter patent amending the extending the powers of the company so that it will be able to carry on business in other counties in the province of Quebec. The change in the charter simply follows past expansions of the company and has not been undertaken with any immediate expansion in view.

Public Utility Earnings

Canadian Northern Power November—	1927	1928
Gross earnings	$2,789,713	$3,109,468
Oper. and maintenance	839,903	875,711
Net earnings	$1,949,810	$2,233,757

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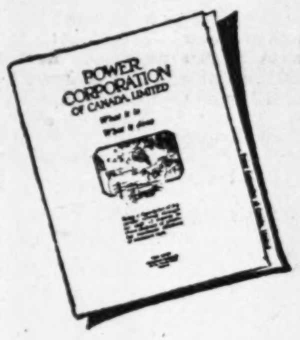

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News of Investment Markets

DOMINION TAR SAID TO HAVE BRIGHT FUTURE

Creosoting of Wood Exposed to Weather Will Grow

BONDS ARE OFFERED

Debentures Evidently Well Secured With Earnings Over Four Times Interest Needs

Considerable interest has been aroused in investment circles this week by the offering by Wood, Gundy & Co. and Greenshields & Co., of $4,000,000 of debentures of the Dominion Tar & Chemical Co., an old-established and growing Canadian business which heretofore was owned in London.

Dominion Tar & Chemical Co., is by far the largest producer of tar in Canada, and the field for expansion is believed to be exceptionally large. One of the principal activities of this company, and of its controlled and associated companies, is the creosoting of railroad ties and other woods which are exposed to the weather. There is ground for contention that this business is in its infancy, although it already has reached substantial proportions..

130,000,000 Ties

Railroad ties not creosoted, last about five years. Creosoted ties last from 20 to 25 years. There are more than 130,000,000 railroad ties in use in Canada. In 1919, Canadian railways used creosoted ties for 5 per cent. of their replacements. Last year, the replacement ties were 39 per cent. creosoted. It is believed that within a few years, all railway ties will be creosoted.

It is calculated that, at the present rate of production, it would require twenty years to replace all railway ties with the creosoted wood and by that time, of course, there would be demand for replacements of creosoted ties laid in earlier years.

These estimates do not take into account new railway construction, of which several hundred miles are planned this year, a large proportion of the ties of which will probably be creosoted.

Other Uses Also

Railways are not the only users of creosoted wood. The telephone companies are creosoting that portion of wooden poles which go underground. Creosoted fence posts also are being marketed in the Western provinces in increasing quantities. There are other uses developed, and it is believed that eventually nearly all wood coming in contact with earth, will be creosoted before using. Creosoted wood blocks also are being used in increasing quantities for factory and other floors.

Other products of the company include briquetting pitch, road tar, etc. Plants are located conveniently to the sources of raw material. Raw material is obtained under contract from Algoma Steel, Consumers Gas, Montreal Coke and Winnipeg Electric Co., Alexander Murray & Co., a subsidiary distributes a complete range of building materials, including tarred sheets, sheathing, insulating boards and slate.

It is understood that the issue of debentures will be followed immediately by an issue of preferred stock with a bonus of common.

Details of the debenture issue follows:

$4,000,000
Dominion Tar & Chemical Co.
20-Year Sinking Fund Gold Debentures
6 per cent. Series "A"

Dated: Jan. 2, 1929 **Due:** Jan. 2, 1949

Company—Dominion Tar & Chemical Co. to be incorporated under Dominion laws to acquire all assets of present company of same name, including investments in subsidiary and associated company. New company will own 84 per cent. of stock of Canada Creosoting Co., 74 per cent. of Alexander Murray & Co., Canada Creosoting, in turn owns 45 per cent. of Alberta Wood Preserving Co., and 85 per cent. of stock of Vancouver Creosoting Co. Business of Dominion Tar & Chemical has been in successful operation for 25 years. Operations are largely distillation of tar and sale of its by-products.

Earnings—Grown from $957,082 in 1925 to $1,326,180 in 1927. On basis of eleven months of 1928 and after eliminating non-recurring items, it is estimated that 1928 earnings will have been $1,036,779, after deducting depreciation. This is over four times interest requirements of $240,000 per annum.

Assets—Fixed and current assets are stated to net not less than $9,000,000 after deducting minority stock interest. Working capital will total $1,723,697.

Security—Trust deed limits total issues to $7,500,000. Debentures constitute only funded debt of the company or of its subsidiaries. All assets not covered by specific first mortgage will be covered by a first floating charge on present and future assets. Subsidiary companies not permitted to issue any mortgages or debentures except to parent company itself.

Offered—January, 1929, by Wood, Gundy & Co., and Greenshields & Co. at 100 and interest, to yield 6 per cent.

Tenders and By-laws

SASKATCHEWAN

Authorizations Granted by the Local Government Board from Jan. 4 to Jan. 11, 1929

Rural Telephones: Blackley, 1,100; Beatty, 12,000; Earl Grey Sylvan, 2,750; Goodlands, 1,100; Loch Ayr, 275; Lashburn, 3,500; Merril, 7,000; North Admiral, 2,275; West Kronau, 8,387.

Debentures Reported Sold

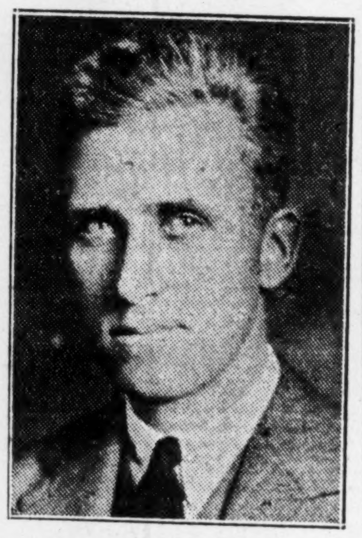
Rural Telephones: Bellevue-Domremy, 2,250, 15 yrs., 6%, C. C. Cross & Co., Regina; Birch Hills, 1,200, 15 yrs., 6%, H. M. Turner & Co., Regina; Evans, 390, 5 yrs., 6%, Town of Biggar Sinking Funds; Roseville, 512, 5 yrs., 7%, B. C. Jacques, Briercrest; Rosalind S. D. No. 4782, 2,000, 10 yrs., 6%, Regina P.S.D. No. 4 Sinking Funds; Town of Hanley, 3,500, 10 yrs., 6%, H. M. Turner & Co.

Bond Notices

BOND REDEMPTIONS

	Rate	Due	Redeem.	Price
Lake Superior Paper	6%	1941	Mar. 1	105
Merchants Realty	6%	Ser.	Feb. 1	105
Span. Power	6%	1929	Mar. 1	102
Quebec Power	6%	1953	Apr. 1	107½
Stock—				
Robt. Mitchell, 1st pref.	7%	....	Mar. 11	107½

Now a Partner



VICTOR A. B. LEDAIN, who was recently admitted to partnership in the Montreal Stock Exchange firm of MacDougall and MacDougall.

TRI-CONTINENTAL IS NAME OF NEW INVESTMENT CO.

Tenth of $50,000,000 Issue to be Offered in Canada

Formation of an investment corporation with an initial paid in capital of $50,000,000 has been announced by J. & W. Seligman & Co., with whom Dominion Securities will be associated in the underwriting. The new organization will be known as the Tri-Continental Corporation.

Establishment of Tri-Continental Corporation is in line with the recently developed tendency of investment banking firms to create affiliations with large accumulations of capital brought together for investment. Tri-Continental will be the newest name on a foster of investment corporations which has already reached impressive proportions, but in point of initial capital resources the new corporation will be one of the largest of such companies to be organized in the United States, while the capital set-up is so arranged as to make expansion possible as rapidly as the corporation's activities require.

Offer 10 Per Cent. In Canada

Five partners of J. & W. Seligman & Co. will serve on the corporation's board of directors, which will consist of not less than eleven members. The other directors will be selected with a view to giving the corporation the benefit of the judgment of men of wide experience and success in business and investment. Under a broad charter, the directors will have extensive powers in conducting the affairs of the corporation, which will specialize in investments in securities and participations in syndicates and underwritings, both domestic and foreign.

It is understood that about 10 per cent. of the issue will be offered in Canada.

FORT WILLIAM GIVES FRANCHISE TO TERMINAL CO.

Gas and Coking By-law Approved; Contract Favorable

The Canadian Terminal System, Ltd., announces that plans have been completed for the erection of a gas and coking plant in the City of Fort William, Ont. A by-law was voted upon by the electors of the city on January 7, giving the terminal system an exclusive gas franchise for a period of 25 years; the by-law carried by the substantial majority of 3,137 votes for to 709 against.

Fort William is very favorably located as a situation for a combined gas, central heating and coking plant. Coal is brought to the head of the lakes by water, reduced to coke and gas, and from there distributed to Northern Ontario and the Western provinces. The franchise which the Canadian Terminal System obtained from Fort William is stated to be a very favorable one. Officials of the company intimate similar franchises elsewhere are being sought.

W. C. DURANT RETIRES FROM DURANT CO.

Management Will Pass to New Group of Investors

W. C. Durant has retired from active control of the Durant Motors, Inc., and control will pass to a group of new investors who are not named. The company was organized by Mr. Durant following his loss of control of General Motors in 1920.

Mr. Durant's statement, in part, was as follows:

"After many months of negotiation I have arranged for a new group of executives to become heavily interested financially with us and take over the complete management of Durant Motors, Inc. These men hold an important place not only in our business, but in the public thought. They organized and developed a merchandising organization which always has possessed the respect and admiration of the trade as well as the confidence of the public.

"The manufacturing methods which they have instituted have become the universally accepted practice and the dealer organization which they have built and developed has prospered most conspicuously.

"A few years ago, when Durant Motors, Inc., first started, I conceived the idea that it would be a good plan for us to have many stockholders. Later, I discovered that every form of misrepresentation had been used to induce people to buy stock in Durant Motors, Inc.

"My plan, if I am permitted and if I can have the good fortune, is to reimburse every single, original stockholder of Durant Motors, Inc., with the price they paid for that stock, with interest. It is my purpose in life, if I am permitted, to reimburse not only Durant Motors, Inc., stockholders, but those of every other organization with which my name is connected—that means Star, Durant Motor Co. of Indiana and Flint Motor Co."

Joins Stewart, McNair Co.

Stewart, McNair & Co., members of Toronto Stock Exchange, announce that R. Y. Cory has become associated with their firm and will act as one of their attorneys on the floor of the Toronto Stock Exchange.

Mr. Cory originally entered the brokerage business in 1909 with the firm of Baillie, Wood & Croft. More recently Mr. Cory was associated with the brokerage house of Stobie, Forlong & Co., both at Toronto and Montreal and previous to this was connected with the Treasury Department of the T. Eaton Co.

EASTERN BANK STOCK OFFERED IN MARITIMES

Provisional Directorate Includes Some Prominent Names

Stock in Eastern Bank of Canada, which was chartered by parliament a year ago, now is being offered the public. The bank is designed especially to serve the business interests of the Maritime provinces. The authorized capital is $1,000,000 and no subscription becomes effective unless $500,000 has been subscribed. As is required by law, no share of stock has been sold except for cash.

The stock offering is being made by Eastern Securities Co., St. John, and other institutions. It is believed that the present is a propitious time for the beginning of a bank.

The circular explaining the stock offering reads in part as follows:

Authorized Capital

Common Stock: 10,000 shares (par value $100 per share), $1,000,000.

The common stock is non-redeemable.

The holders of the common stock are entitled at any meeting of the stockholders of the company to one vote for each share of stock registered in their respective names on the books of the bank.

No stock of the bank has been issued except for cash.

No subscription will be effectual unless five hundred thousand dollars of the capital stock shall be subscribed.

Under the banking laws of the Dominion of Canada all bank stocks are subject to a double liability. In event of a bank failing to meet its obligations the shareholders can be called upon to make up any deficiency to the extent of $100 for each share held.

Charter and Business

The Eastern Bank of Canada is chartered under the Bank Act of the Dominion of Canada, and is authorized to carry on a general banking business as set forth in the act. The bank has been organized primarily to assist in developing the business and promoting the prosperity of the Maritime Provinces.

Directors and Management

It will be the policy of the Eastern Bank of Canada to secure as directors men of outstanding ability and integrity with a wide knowledge of business, industrial and financial affairs of the Maritime Provinces as well as the whole of Canada. These directors will be secured from all three provinces in the Maritimes.

At the present time the following have consented to act as directors, if elected:

Fred R. Taylor, K.C., Barrister, Saint John, N.B.

Angus McLean, Bathurst Company, Ltd., Bathurst, N.B.

Senator Frank B. Black, president New Brunswick Telephone Company, Sackville.

Fred E. Sayre, Sayre & Holly Lumber Company, Limited, Saint John, N.B.

George R. McKean, George McKean & Company, Limited, Saint John, N.B.

James D. McKenna, president New Brunswick Publishing Company, Ltd., Saint John, N.B.

James MacMurray, president Eastern Securities Company, Limited, Saint John, N.B.

The appointment of a thoroughly experienced banker as general manager will be made very shortly. Already a number of highly satisfactory applications have been received and a general manager suitable to the shareholders can be secured as soon as convenient.

Capital and Surplus

Although the authorized capital of the Eastern Bank of Canada is $1,000,000, the bank will start in a relatively strong position with other chartered banks in Canada, due to the fact that the stock will be offered at $200 per share. This will mean that the bank will commence operations with a paid-up reserve fund of $1,000,000 when the total authorized issue is placed. Capital and surplus will, therefore, total $2,000,000.

General

Since the charter for the Eastern Bank of Canada was granted, several leading Canadian bankers have expressed the opinion that this bank is being started under much better conditions than were other Canadian banks which now occupy most outstanding positions in Canada.

With the ever increasing and widespread industrial and commercial progress in store for Canada during the next ten years, a bank started on the very threshold of this prosperity offers the investor as well as the business man an unusual opportunity to share in the progress of his country.

The record of the banks, both in Canada and the United States, shows that banking is a most profitable business and under conservative management with the close co-operation of the directors, the stock of the Eastern Bank of Canada should prove to be a most valuable holding.

Terms of Payment

$100 a share on notice of allotment. The balance when and as called by the directors. No call to be made within thirty days of the preceding call.

PLAN TO ADVANCE SALE OF CANADIAN FIRE INSURANCE

Canadian Insurance Shares Makes Offering of Capital Stock

To supply capital to Canadian insurance companies, particularly fire and casualty companies, is the objective in the formation of Canadian Insurance Shares, now being financed by a public offering. The company is coming out under the aegis of the W. W. Evans-Arthur Meighen group which financed Canadian General Investment Trust and its two associated companies.

An offering of common shares of Canadian Insurance Shares is being made at $50 a share, payable in instalments as called. Company has already purchased three insurance companies. Negotiations are in progress to acquire others. Company plans also to incorporate a re-insurance company.

Management shares to the number of 100 are being issued to insure Canadian control.

The purposes of the new company were explained this week to The Financial Post as follows:

"In the matter of life insurance Canada stands out as a model to the world. How are we to explain the fact that Canada does so very little of her own fire and casualty insurance? At present, less than 5 per cent. of the total premiums are earned by purely Canadian companies. The truly startling earnings of established British and foreign companies operating in this field are as a matter of record.

"The answer lies in the nature of the business. The greater part of the insurance written is on the basis of a single premium to cover the stated risk for a period of three years. The expense of getting the business must be absorbed in the year it is written. Reserves must be set up against the next two years or more of unexpired risk. The demand for capital in the years of growth is very great. Furthermore, insurance is a field in which competition is keen. There can be no local monopoly which would permit of slow growth until the small company can meet the competition of the international leaders. The agency and sub-agency system is so flexible that the big London companies can reach into every hamlet.

"A Canadian company to be really effective must start on a substantial scale and have resources which will permit it to expand. This competition from established companies brings one further handicap to the small organization. Rates are not so adjusted that the shareholder must look to the return on the investments held for a very large part of his remuneration. Underwriting profits are, from the stockholder's standpoint, of minor importance, investment return is primary. Size is therefore of the first requisite to success in this field. There must be ample capital to permit of expansion and only when there are large funds to be invested can the company command the best brains and use them to the best advantage."

An analysis of the new issue follows:

50,000 shares
Canadian Insurance Shares, Limited

Capitalization:	Authorized	Issued
Common, no par ..	200,000 shs.	50,000 shs.
Management shares, no par	100 shs.	100 shs.

Company: Controls three insurance companies and is negotiating for more. Will own Canadian Re-insurance Company, if and when incorporated.

Earnings: No forecast made and purchasers are asked not to expect dividends in early years.

Management: One hundred shares issued as management shares to insure Canadian control.

Issued: January, 1929, by Canadian General Securities, Limited, Toronto, at $50 per share payable $20 cash and balance as called.

Holt Renfrew Profits Touch High Level

From Our Own Correspondent

MONTREAL.—Earnings at the record level of over $20 a share on the common stock are now being forecast for Holt Renfrew and Company. The current fiscal year ends January 31. In 1927 the company earned $18.21 on its common shares. During the past year the price of the stock has ranged between a low of 80 to a high of 120.

Marketwise and from a business angle, the future for the company appears to be eminently satisfactory. The shares, however, have not responded marketwise to the improving position of the company's earnings.

In the middle of 1928, Holt Renfrew inaugurated dividends on its common stock at the rate of $4 a share annually. One of the reasons why the shares do not sell higher is because the stock is closely held and transactions on the Montreal Market occur but infrequently. The average investor prefers to purchase stocks for which there always exists a wide market.

No doubt any stock offered on the market by shareholders in Holt Renfrew would be quickly absorbed by the other shareholders—still the fact remains that there is little trading in the shares. In any event, marketwise the shares of Holt Renfrew have hardly kept pace with the appreciation in many other securities which in reality are no more worthy of the attention of investors than this long established retail organization.

Record Price for Curb Seat

MONTREAL.—A new high record has been established for the price of a seat on the Montreal Curb Market. The sale was reported last week at $35,000, which is an increase of $5,000 over any previous transfer.

Comstock Gets Contract

MONTREAL.—The Mersey Paper Company has awarded the complete electrical installation contract for its mill at Liverpool, N. S., to the Canadian Comstock Company.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Saskatchewan Phones, etc.	Jan.	Various	...	....	$6,352	....	...
Hanley, Sask.	Jan.	H. M. Turner & Co.	6%	10-yr.	3,500	....	...

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Dominion Tar & Chemicals Co. .	Jan.	Wood, Gundy & Co., and Greenshields & Co. .	6%	1949	$4,000,000	100	6%
Stock Issues—							
Can. Power & Paper Invest. ...	Jan.	Nesbitt, Thomson & Co.	5%	Pref.	$2,500,000	$ 50	...
Western Grain Co.	Jan.	Wood, Gundy & Co.	6½%	Pref.	2,000,000	$100	...
		(With bonus of 3 shares of no par value	common	stock with	each 10	pref.	shares)
Merritt-Chapman & Scott Corp.	Jan.	Fry, Mills, Spence & Co. & U.S. Syndicate .	...	Com.	50,000 shs.	....	...
Canadian Insurance Shares	Jan.	Can. General Securities	...	Com.	50,000 shs.	$50	...
Gordon & Belyea	Jan.	Pemberton & Son, and Western City Co. ...	7%	Pref.	$275,000	100	7%

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Investment Securities
Northern Ontario Bldg.
TORONTO

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Charlottetown, P.E.I.
MONTREAL—138 St. James St.

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$166,993,905.98
Head Office: 55 Wall Street New York
Thirty Branches in Greater New York
Eighty-nine Branches in twenty-three Foreign Countries.

The National City Bank of New York
including
Domestic and Foreign Branches
Condensed Statement of Condition as of December 31, 1928

ASSETS

Cash in Vault and in Federal Reserve Bank........	$152,251,571.32	
Due from Banks, Bankers and U. S. Treasurer....	309,510,975.18	$461,762,546.50
Loans, Discounts and Acceptances of other Banks .		995,574,261.83
United States Government Bonds and Certificates .	$142,293,792.68	
State and Municipal Bonds..................	11,030,725.00	
Stock in Federal Reserve Bank...............	4,200,000.00	
Other Bonds and Securities.................	56,209,880.29	213,734,397.97
Subsidiaries:		
International Banking Corporation...........	$6,000,000.00	
Bank of Haiti, Inc.........................	2,000,000.00	8,000,000.00
Bank Buildings..........................		26,365,720.12
Items in Transit with Branches..............		3,342,216.60
Customers' Liability Account of Acceptances......		132,479,851.57
Other Assets............................		6,446,553.52
Total..................		$1,847,705,548.11

LIABILITIES

Capital.................................	$ 90,000,000.00	
Surplus.................................	65,000,000.00	
Undivided Profits.........................	11,993,905.98	$166,993,905.98
Deposits................................		1,349,024,386.20
Liability as Acceptor, Endorser or Maker on Acceptances and Foreign Bills..................		236,273,783.91
Circulation..............................		99,345.00
Due to Federal Reserve Bank................		75,000,000.00
Reserves for:		
Accrued Interest, Discount and other Unearned Income..............................	$ 3,8[illegible]	
Taxes and Accrued Expenses, et cetera.......	7,48[illegible]	
Dividend Payable Jan. 2, 1929..............	3,150,000.00	
Contingencies...........................	5,759,761.28	20,246,147.02
Other Liabilities.........................		67,980.00
Total..................		$1,847,705,548.11

Above includes The National City Bank of New York (France) S. A.
Figures of Foreign Branches are as of December 24, 1928.

The Measure of Usefulness

THE NATIONAL CITY COMPANY CANADA

The usefulness of an investment banking company is measurable by its capacity to provide capital for worthy enterprises and its ability quickly and fully to meet the needs of investors wherever they may be.

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THE FINANCIAL POST RECORD OF PROSPECTUSES. Half yearly, $7 per volume.

TORONTO, JANUARY 18, 1929

TELL THE PUBLIC

I'M GOING shopping" said an irate citizen when he heard last week that his automobile insurance rates were to be pushed up 50 per cent. on one hand and 25 per cent. on the other. "That makes an 80 per cent. increase in the last three years."

These are no doubt the sentiments of thousands of motorists to the announcement that automobile insurance rates are to be increased. They feel that something is wrong; that the so-called tariff rates are too high, and that therefore their best course is to "go shopping" elsewhere for their automobile insurance rates.

On the other hand the majority of insurance companies writing this type of business claim that if they were to fix the rates on the basis of actual experience, the increase would not be 50 and 25 per cent., but exactly double that amount.

Here then are two points of view; the laymen believing he is grossly overcharged and the statistician convinced that the rates are still nothing like adequate for the risk involved. How can the two be brought together?

The answer seems to lie in the word "publicity." Insurance companies have been proverbially loth in the past, to take the public into their confidence and this places them under an immediate handicap at a time such as this. As far as automobile insurance companies are concerned there has until recently been no one agency that could speak with authority for the whole group of underwriters, but at the present time the tariff association comprises a very substantial majority of those writing automobile insurance and it is for this association which has unanimously brought about this increase, to justify its stand before the motoring public and to seek by every possible means to inform policyholders not only on this particular point but to seek their co-operation in the prevention of more accidents and the forestalling of even more drastic increases in automobile insurance rates.

Only last spring an institutional campaign on automobile insurance was carefully planned by the tariff association but was thrown overboard for lack of financial co-operation among the companies. A typically "penny wise and pound foolish" attitude. Too many causes have been lost of late because there has been no attempt to solicit public confidence. We hope automobile insurance—which has a good case—will not be one of them.

WHAT DOES IT MEAN?

THE Speech from the Throne at the opening of the Quebec Legislature contains some interesting forecasts on the legislative intentions of the Taschereau government. The government is to establish a broadcasting station, which, according to the Lieutenant Governor, is to bring to the homes of French Canada an agreeable and instructive matter touching both the Dominion and the province.

If this broadcasting station be used legitimately to publish agricultural information to farmers, and information useful to the workers in the city, it should prove of value. If the government begins to use it for political purposes, the attempt would ultimately defeat its own ends. Hence, the proposed legislation seems innocuous except that before investing a large sum in such a station, Mr. Taschereau might well consider making use of some of the privately owned broadcasting stations in his province. At present, none of these pay their way and the purchase of the air at stated intervals by the government, would allow these stations to improve their broadcasting generally and so to better the generally low level of entertainment provided on the air every evening in the province of Quebec.

The Government is to tighten up and make more effectual its laws in relation to the issue of shares and bonds of companies carrying on business in the province of Quebec. Legislation of this kind should be welcomed, and will be welcomed by all those with any knowledge of the sale of securities in that province.

For a variety of reasons, the smaller French Canadian investor is more apt to succumb to the wiles of the high powered salesman with his boiler room methods than his counterpart elsewhere. The Better Business Bureau of Montreal has been carrying out activities to safeguard small investors in Quebec, and has been remarkably successful. The work of the Better Business Bureau, though, deserves more financial and moral support than it is now obtaining from those in authority at the Parliament Buildings in Quebec.

The most important and significant remarks in the Speech from the Throne, though, are as follows:

"Public opinion calls for a law regarding the press which, whilst protecting newspapers against proceedings that are sometimes vexatious, will nevertheless not allow them to abuse the greater liberty which might be accorded to them. A bill will be introduced with both those ends in view."

The freedom of the press has brought abuses. It has produced the blackmail sheet and the pornographic tabloid and it has glorified the Peaches Browning ilk.

But the evils of a free press have been more than offset by the glories which surround those publishers who have fearlessly pressed on at great odds to achieve reforms and further progress in their communities.

If Mr. Taschereau tampers with the freedom of the press in his province, he will be taking a reactionary step which may for the moment appear to have beneficial effects, but which ultimately cannot fail to result in an increase in ignorance, intolerance and prejudice, and place the province as a whole in a less favorable light than other civilized communities.

It is too early to discuss this proposal further but one may well wonder just how far Mr. Taschereau plans to go and what his proposal really means.

LOOKING AFTER OURSELVES

CANADA has too often taken unfriendly tariff actions by other nations lying down. And often we get just what we deserve. The only time Canada showed a bit of courage was with Germany. Canada gave a preference to England and Germany showed her teeth. With her pre-war stupidity she tried to handicap the importation of Canadian products. Canada went back at her and trade fell off heavily between the two countries. That sent Germany begging on her knees to Canada and things began to improve when the war came.

England did not fully appreciate Canadian trade or preferences until Premier King sent W. L. MacDougald five or six years ago to negotiate a special treaty with Germany. The mission was revealed by The Financial Post, was cabled to England, and awakened even the ultra-free trade Manchester Guardian to demand that something be done. Both Conservatives and Labor in England to-day are worried and are working together on schemes for the development of Empire trade.

The United States has steadily put it all over us; has bluffed us and beaten us in fiscal matters. One would think that we were afraid to talk back. The United States has strong representation at Ottawa. United States interests employ able Canadians to look after their interests at our capital.

Canada set out to help her sister producers in the British West Indies by giving them preferences. There was a tax of 50 cents on a bunch of bananas imported from the British West Indies through the United States. But they are free when imported through Canadian ports. Some Americans, whose interests are affected, are getting worked up over this and are demanding that something must be done to prevent it. Their published complaints are in sardonic contrast to their own tariff policy towards Canada.

From an unfriendly and vicious attitude, Roosevelt and Root instituted a much more friendly attitude towards Canada. They have been treating us decently in most matters and in some things have been very generous, but in many tariff matters they have been thoughtless and brutal. Canada has accepted this treatment without protest. We can admire the United States in looking so well after its own interests—but our Government should follow the United States example and look after our own individual interests.

PER ARDUA AD ASTRA

A MERGER of the leading aircraft companies operating in Eastern Canada would put aviation in Canada on a sounder basis, providing, of course that the consolidation was efficiently managed. It has been proved time and again that aviation in small quantities is not a paying proposition. That is, unless a small company is either subsidized by the government or backed by a large amount of capital, its chances of bringing re-imbursement to shareholders are small. Climatic conditions in Canada, though great strides have been made in overcoming these difficulties, mitigate against continuous flying operations throughout the year. In the long run it is the number of flying hours that count in profits. An aeroplane in a hangar is earning no money for its owners. A large company, with substantial resources is able to weather losses incurred through loss of flying time, accidents and other temporary set backs. But a company which is solely dependent on a mail contract for revenue, with a few joy rides thrown in for extra profits, is in no position to sustain any of the losses which of necessity are still part of aviation.

From a business point of view, the enthusiasm of some pilots has been misguiding. Spurred on by their keen delight and faith in flying, they have formed small companies which, from the outset, have had no chance of making profits. Investors, sharing in the enthusiasts' outlook, have lost money. Not on any large scale, however. Commercial flying to be profitable, like any other business, must be on a sound financial basis.

These pioneers of the air, and without them the development of aviation would be at a standstill, are apt to overlook the hard cash factors in their enthusiasm for flying. And in the same manner the investor may be misled. Flying is in its infancy, and there will be many ground floor opportunities offered in the next few years to the investing public. But investors in aircraft companies should strive to back their judgment, not so much by the visions of fleets of aerial giants in the sky as by the financial resources, the financial ability, and the fundamental straight businesslike soundness of the company in which they intend to invest.

OUR SHARE OF THE AIR

THE economic and sociological influence of radio is very great. Broadcasting has become such an important factor in advertising and education that it behooves Canada to look many years ahead in adjusting the demands upon the air to the few channels that are mechanically available. Some of these problems and the manner in which they touch our relations with the United States are discussed in an article elsewhere in this issue. We have no doubt that the federal radio commission, of which Sir John Aird is chairman, will be able to make valuable recommendations that will strengthen the hand of the government in preventing Canada from being put in an inferior position in radio broadcasting on this continent. Pending publication of their report it is well that business men should realize that a problem of national interest is involved.

Canada should never agree to a division of wave lengths with the United States if such agreement is upon a basis of popuation. Practically every program broadcast from an American or Canadian station has an international reception. If for every Canadian program on the air there are to be twelve American programs tempting the dial-chaser it is quite obvious that Canadian advertising, Canadian social ideas and Canadian conceptions of nationality will be swamped in the American themes on the air.

Canada does not seek to put up any barrier to reception of American programs in Canadian homes because the average Canadian is not small-minded and would listen to programs from Russia, Germany, Italy or China if he could get them. But we are anxious that Canadians should have equal opportunity to broadcast Canadian ideas across the continent into our own homes and American homes. And we are anxious that foreign broadcasting should not outweigh Canadian broadcasting in volume. Canada wants more wave lengths and should take them as required. Our government has rightly taken the stand that we do not have to ask Washington for them when we want them. We want our share of the air but primarily we want it with complete accord between American and Canadian officials charged with the control of broadcasting.

REVELRY AND WANT

IT IS a revealing commentary upon the extravagances of the wealthier classes in old London that a recent visitor to the heart of the Empire should have been able to remark, on his return to Canada, that the King's illness served a useful purpose at the present time. It helped to curb the reckless and carefree gaiety of the metropolis, so much in contrast to the poverty in the mining and industrial areas. The ostentatious display of wealth in London was arousing the spectre of Bolshevism in the provinces and when the King's illness put a damper upon the ardor of the titled and wealthy merrymakers of the prospering city it helped to remove one of the chief causes of discontent.

Provincial Britain feels that London has not borne its full share of the nation's bitter problems. The shifting of a larger burden of the costs of local government from the local municipal corporations to the state government was a step in the direction of correcting this situation. This was the aim of the rating bill. The dizzy and selfish revelries of the courts of the Louis's brought on the French Revolution and, in a much smaller way, the dole-stricken areas of industrial Britain have been embittered by the frivolity of London.

EDITORIAL NOTES

THEY HAVE changed Peking to Peping. But in English peeping is the same as peeking.

* * *

COMMERCE and Finance, New York, suggests tariff protection for U.S. producers of illicit wet goods against Canadian distillers and brewers.

* * *

FERGUS people welcome the two cent postage rate to the Old Country. Our local Scots are now able to write home again, says the Fergus News-Record.

* * *

THE TIMES thinks that the Conservatives have a chance to come out on top in the British election if they look straight ahead and not to right or left. It feels that the government's attempts to improve the lot of industry by rationalization and de-rating have given the Conservatives all the platform they need.

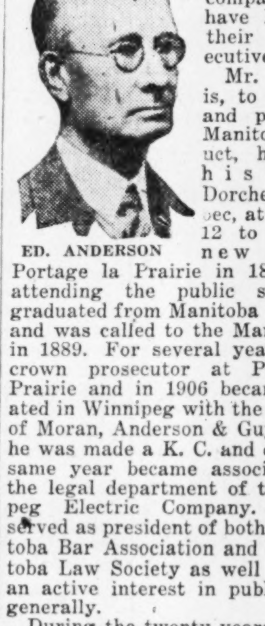
* * *

COL. LEONARD P. AYRES, economist for the Cleveland Trust Company, has come out with another of his interesting and remarkable commentaries on the United States stock markets. It again runs counter to the general trend of such thought. He says:

". . . . the volume of speculation during the past year has been relatively very large when compared with the standards to which we have become accustomed since 1910, but not relatively large when compared with the speculation of the first 10 years of the century, or with that of the 80's. . . . . we appear to be entering another period of relatively high volume of stock speculation rather than merely experiencing a purely temporary flare-up of public interest and participation in market operations. It seems unlikely that the phenomenal records of 1928 will constitute durable landmarks in stock-market progress."

FOLKS and Finance

IN APPOINTING Edward Anderson, K.C., as president and general manager of Winnipeg Electric Company the directors have followed the example of C. P. R. Both companies now have lawyers as their chief executives.



ED. ANDERSON

Mr. Anderson is, to all intents and purposes, a Manitoba product, having left his birthplace, Dorchester, Quebec, at the age of 12 to make his new home in Portage la Prairie in 1879. After attending the public schools he graduated from Manitoba University and was called to the Manitoba Bar in 1889. For several years he was crown prosecutor at Portage la Prairie and in 1906 became associated in Winnipeg with the legal firm of Moran, Anderson & Guy. In 1909 he was made a K. C. and during the same year became associated with the legal department of the Winnipeg Electric Company. He has served as president of both the Manitoba Bar Association and the Manitoba Law Society as well as taking an active interest in public affairs generally.

During the twenty years that Mr. Anderson has been connected with the Winnipeg Electric Company he has actively participated in the many important developments that the company has promoted during that period and he steps into office at the commencement of the greatest development the company has yet undertaken—the construction of the 225,000 h.p. hydro-electric plant at Seven Sisters Falls on the Winnipeg River.

LAST week this column told of the Toronto man who once found himself placed in the centre of three chairs, between Tex Rickard, and William Jennings Bryan, giving him the opportunity of comparing two individuals, striking in contrast. Picking up the London Times, this same man read this week, in adjoining column, obituaries of Sir William Maxwell, and Lord Lambourne, and he recalled somewhat interesting—to him at least—adventures with these two men.

Maxwell was a war correspondent of some note, and when the Great War rather put an end to temporarily major conflicts, he got himself interested in mining and was associated with the late Joseph Meyers, in the Bingo affair, up in Northern Manitoba. Maxwell was out in Canada a few years ago, when Meyers financed that proposition and meeting Maxwell at tea at the Ritz, in Montreal, provided the Toronto man with the opportunity to arrive at the conclusion that Maxwell was a gentleman and a scholar, a very kindly man, and undoubtedly an excellent war correspondent, but for all that, no man to be mixed up in an enterprise so speculative as mining.

The contact with Lord Lambourne, was rather interesting. The Torontonian was a private in the Canadian army, and making the usual visit to the Houses of Parliament in London, when an old gentleman came along and suggested that he would be very glad to show any Canadian soldier around. He did it very well, and the quite obvious warmth of the attendants was an indication that the guide was a person of importance. This was proven beyond a shadow of a doubt when he conducted the visitor to the King's robing chamber, and other rooms, even to the cloak room where he pointed out the pegs upon which Earl Kitchener and Lord Roberts were accustomed to hang their respective hats. Finally the guide introduced himself as Lord Lambourne, and when he ran into his old friend John Burns, the great British Labor leader, who resigned from the British cabinet because he did not—at that time—believe in the war, he introduced that delightful individual.

The Canadian mentioned that he had been to Madame Tussaud's in the morning, and he had seen a wax effigy of Mr. Burns. This brought from Mr. Burns the statement that the suit of clothes on the effigy was one he had worn himself. When Tussaud's asked him for a suit of his own clothes to put on the effigy, he had replied that his stock of clothes was so meagre that he could not spare one. "So they bought me a new suit and I gave them one of my two old ones," said Burns.

Incidentally Lord Lambourne, in the days when he was known as "Uncle Mark Lockwood," and sat in the House of Commons for twenty-five years, was always regarded as radical in viewpoint, and an opponent of the Upper House. But like many men who have tried to abolish the House of Lords, he eventually accepted a peerage himself.

POST-scripts

THE attempts of Dr. Mansfield Robinson, to get in touch with inhabitants of Mars, through the medium of the British Broadcasting Corporation, are not the first efforts at communication with another world. A recent document has come to light in China, which discloses an astonishing effort of the reigning monarch there, some 6,000 years ago. Chow Su, the individual in question, was noted for his aggressive and autocratic government. This monarch was convinced of the existence of life on the planets. Lacking a broadcasting apparatus, the ambitious man thought that if a sufficient noise could be made, there would be some reaction from the inhabitants of the other worlds. Accordingly, Chow Su sent orders to all parts of his empire that at a certain date the whole population, on fear of death, must gather in their cities, and at a given signal, emit the loudest possible shout, of which each individual was capable. To make things simpler, one word was decided on,—Bu,—the equivalent of Boo in English. Excitement, according to the historian, ran high. As time drew near for the great shout, the nerves of the nation were taut. The time had been arranged through an ingenious method of synchronization, and the carefully laid plans allowed for no possible hitch in the proceedings. Much discussion took place on the effect of the tremedous noise on the dwellers in the other worlds, and some fear was felt about the effect the shout would have on their own land.

The day, the hour, the moment at last arrived. Each citizen drew a deep breath. What was the effect? Let the Chinese scribe speak: "And at a given signal, there fell a silence on the earth, a silence deeper than any silence since the creation of the world. For each man, woman and child said to himself, Lo, if I do not cry out, there will be no one to notice my silence, and I alone will hear this remarkable sound, and I alone will be able to relate to others the amazing volume thereof. Thus was a noble scheme shattered by the folly of mankind." There is probably a moral to this story, but this paper confines itself to finance.

THE movie-tone, with its introduction to the screen of celebrities other than those from California, is causing worry to some theatre managers. The manager of one theatre was advised of a new talking find, a fellow named Shaw. For further information he rang up an associate. The latter could throw no light on the subject. "George Bernard Shaw?" he queried. "No, we haven't any Shaws booked, but if he plays our circuit I'll give you a ring."

This recalls the efforts of an aggressive individual who was noted for his ability to draw crowds to his box office. When Ibsen's extremely sophisticated "The Doll's House" was being shown, he hung out a large streamer in addition to the regular advertisements—"This is a wow. Bring the kiddies."

And listening in on the radio a few weeks ago we heard Eddie Cantor tell a good one about the "talkies." He pictured Ronald Colman and Vilma Banky playing a passionate love scene. Ronald would say to Vilma: "I love, you, I love you."

And Vilma would reply; "Now, vusn't dat nize!"

Fables in Finance

The Fable of the Stock that was neither Flesh nor Fowl

By JOHN DUKE

"This is a preferred stock. You get 7 per cent. on your Stock before the common stockholders get anything. If the company gets in arrears on the Dividends, they have to make it all up before they declare a common dividend."

The Salesman with the Polka Dot Tie made it so convincing that the Investor who Did Not want to Speculate, bought some. That was in 1912. He remembered that he got about six dividends and then no more. Then there came a Notice of Special Meeting. The Investor Who Did Not Want to Speculate, had never been to a Special Meeting, and besides he wanted to know why he had never received any more Dividends. So he went to the Special Meeting.

"We want to reorganize the company," said the Chairman who wore a Morning Coat. "If we paid off the Preferred Dividend arrears, the Company would not have any Working Capital. So we are going to give the Preferred Stockholders Common Stock in the new Company. Then we will pay Dividends on the Common Stock and you will get something back for your money. All will come out better in the end."

The Investor Who Did Not Want to Speculate did not understand. "If you wound up the Company, wouldn't there be enough money to give us our investment plus the Dividends that are coming to us?" he asked.

"Oh yes," said the Chairman, Who Wore a Morning Coat. "But then the Company would not be able to carry on. The Common Stockholders would not stand for it. It is not patriotic. Our Employees would be out of jobs."

Still the Investor did not understand. "But I am not either a Common Stockholder or an employee. I thought I had a preference on the assets until I got my share."

A bright thought came into his mind. "What will the Common Stockholders get out of this?" he asked.

"Oh, they are getting Stock too," said the Chairman.

"Then what does it mean when it says that my Stock is Preferred Stock?"

The Secretary whose job it was to answer embarrassing questions that the President could not answer, spoke up. "It means that you preferred to buy it" he said.

The resolution was passed unanimously, only the preferred shareholders voting against it.

MORAL—A nickel is only a nickel even when it's made of silver.

In the Mail

British Efficiency

Editor The Financial Post:

May I congratulate you on your article published in your valuable paper The Financial Post of January 4 issue, describing "Nine Wonders of British Efficiency," by H. N. Casson. Nothing to my mind will strengthen Canada's position as a nation and as a part of the British Empire than to check up on the huge losses it has through its reading matter and current literature being so overwhelming propaganda and advertising of everything made in the United States.

I am not prejudiced, but like to see things from their right perspective and cannot help thinking that if Canada is to take its place as a nation of the world and as part of the British Empire, on foundations that will last and ever be worthy of it, this big American handicap will have to be regulated to its right proportion. Canadian and British publications should be on every news-stand in our country. We would then grow into our proper position quicker than any other way.

Is it any wonder that so many of our best trained young people migrate to the United States under such influences?

Pioneers from the British Empire helped to start Canada as a nation and the best traditions and standards were initiated by them, Now we have reached our young manhood in this country and can show ourselves strong enough to push aside a great deal of this handicap and regulate its influence to some right proportion. Let us in 1929 be altogether for Canada and the British Empire and by our purchases and influence push for better conditions.

—J. W. Sherwin.

10052 109th Street,
Edmonton, Canada,
January 9, 1929.

Other People's Views

Circulars and Confidence

Journal of Commerce, New York: The case is cited of the circular advertising an issue of foreign government bonds which said that no default had occurred on the part of that government for 100 years. When it was discovered that a default had occurred fifty years ago, the house ceased printing the circulars as originally issued and substituted a new one, saying that all obligations had been met by the government in question for fifty years. No attempt was made to correct any false impression that had been gained from the first circular, however.

Just because confidence plays so important a role in security selling, it is good business to do everything possible to gain the confidence of buyers. The more certain prospective investors feel about the accuracy of the contents of a bond circular, the less resistance will be encountered when salesmen try to make sales on the basis of the statements made therein. Hence, the present efforts of the Investment Bankers' Association deserve wide publicity as a co-operative effort to enforce high standards in investment banking which should meet with general public approval.

Blaming the Drawback

Halifax Herald: The Domestic Fuel Act, 1927, provides for the payment of the bonus to "by-product recovery coke oven plants"—and note also the terms and phraseology of the drawback item to which we refer, which remits 99 per cent. of the duty paid on bituminous coal imported "by proprietors of by-product recovery coke ovens and converted into coke at their by-product recovery coke ovens."

The plain fact is that this Dominion is actually importing more coal than it is producing. In September, 1928, alone, something like $8,000,000 was sent out of this country "for the purchase of foreign coal of grades which exist in Canada in quantities sufficient to fuel the whole continent for centuries!"

That is the way Canadian money is being "kept in Canada" "to encourage our own industries."

Anyone who wants the answer may find it in the drawback item—an item which takes the vitals out of the Duncan Commission's recommendation and The Domestic Fuel Act based thereon.

As Others See Us

Canada's Financial Status

Saskatoon Star-Phoenix: Most Canadians think of their country as a debtor nation and quite correctly since outside capitalists have invested heavily in Canadian industry. Between five and six billions are now placed here by British, American and other investors. This is well known but it is not so generally appreciated that Canadians themselves own much more than half of their country's industrial plant and have also become lenders in foreign markets on a considerable scale.

According to a diagram in the current Financial Post, the ownership of Canadian railways, industries and financial establishments was at the end of 1928 distributed in this way: Canada, 66 per cent.; United States, 19.3 per cent.; Great Britain, 13.1 per cent. and other countries, 1.6 per cent. These figures contradict the alarmist statements about American penetration which one reads from time to time, especially in the British press. It is a common belief in Great Britain that Americans now own at least half of the stocks and bonds of Canadian companies. It is true that in the last fifteen years American investment in the Dominion has reached and passed British investment. The fact which has been overlooked is that Canada's own reserves of accumulated spare money, to use Mr. Shaw's definition of capital, are now very large.

As to Canada's investment abroad, The Financial Post prints an article by Professor Taylor of McMaster University showing that for four years running Canadian exports of capital have exceeded imports. The balance for the period 1925-28 has been around $300,000,000. Canadian investments abroad on the first day of this year, Mr. Taylor calculates, came to $1,672,000,000.

All of which shows that Canada is emerging from the position of a debtor. This is inevitable as credits are established in foreign countries by a favorable balance in merchandise trade. The figures also prove that Canadian industry is in the hands of Canadians. They should allay the fears of any Canadians who happen to have the idea that the Dominion is becoming an economic annex to the United States.

More Honey Produced

A report presented at the annual meeting of the United Farmers of Manitoba showed the provincial honey crop of 1928, at 500,000 pounds, to have been two-thirds greater than the year before. The crop included several prize winning lots, it was pointed out, among them being second prize in light extracted honey and first and third prizes in granulated honey at the Royal Agricultural Fair in Toronto.

HONEY DEW, LIMITED
Class "A" Cumulative Redeemable Preference Shares
Dividend Rate—$7 per share per annum

At current market levels these shares may be purchased to yield approximately 8¼%. The Company's earnings are steadily increasing and we believe that these shares are attractive at present levels.

Listed Toronto Curb

Cochran, Hay & Co.,
Limited
Dominion Bank Building, Toronto
J. STRATHEARN HAY, Member, Toronto Stock Exchange
HAMILTON LONDON KITCHENER WINDSOR

Canadian Government
Provincial, Municipal
and
Corporation Securities

R. A. DALY & CO.
LIMITED
BANK OF TORONTO BUILDING
TORONTO
R. A. DALY, Member
Toronto Stock Exchange

The
Willison Neely Corporation
Limited
DEALERS IN
Canadian Government, Municipal and "Dollar for Dollar" Bonds
CANADIAN PACIFIC BUILDING - TORONTO
MONTREAL LONDON HAMILTON OTTAWA

Memo to Advertisers Actual and Prospective

I DON'T pretend to do anything for an advertiser but advertise—effectively and without waste.

It is necessary to make this clear, because some advertising agents are so all-embracing in their promises of what they can or will attempt to do for an advertiser (particularly a possible new customer) that preparing and placing the advertising seems to be the smallest part of the job. Consequently a few inquirers have concluded that I am able to do as much. I am not.

I think creating and placing advertising is a fair-sized job in itself, and I'm satisfied to let the customer run his office—plant—and sales force, and merchandise his product or service according to the dictates of his own judgment and experience.

And—by the way—if you are being well served by your present advertising agent—stick to him. Don't change for mere changing's sake.

If, however, you are not satisfied and *know* you can do better, then I'll be glad to discuss business with you. Please give me a few days' notice of appointment.

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Montreal & Winnipeg

Thornton Purkis
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W. HAROLD MARA H. G. DAVIDSON
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297 Bay Street, Toronto

Announcement
We have pleasure in announcing
that
G. G. BLACKSTOCK
has been elected to membership on the
TORONTO STOCK EXCHANGE

R. B. BUCHANAN
formerly of Buchanan, Seagram & Company
and
R. O. MACKAY TURNER
formerly of the National City Company
are now associated with this firm

The Removal of our Offices to
The Star Building
80 King St. West

G. G. Blackstock & Co. Ltd.
Stocks & Bonds

Elgin 3286
Board Room Facilities

G. G. BLACKSTOCK
R. B. BUCHANAN
W. R. THOMSON
R. O. MACKAY TURNER

101

Background of Business

Weekly Review of Canadian Conditions

CONDUCTED BY JOHN E. LANGDON

New Federal Legislation Expected to Benefit Business
Commercial Situation Sound, Despite Sustained Output
Both Foreign and Domestic Trade Shows Healthy Growth
Wholesale Price Trend Continues on Favorable Lines
Liabilities of Business Failures Are Less Than Year Ago

THE coming session of the Federal House is expected to be a lively one. Railway branch lines, trade expansion, and taxes are only a few of the questions that will come up for discussion. From the standpoint of business a number of measures will be brought forward which should have a favorable influence.

Interest, of course, will centre around the budget. That for 1928 was, on the whole, a satisfactory one though it did not go as far as was generally expected. The cut in the income tax, modification of the sales tax, etc., were good moves. In view of the large increase in the Government's revenue during the past twelve months, however, it is reasonable to expect that further reductions will be made in taxation.

Just what form these reductions will take remains to be seen, but it would not be surprising if further concessions are made in the income and sales tax and possibly a lowering of excise duties. It will be remembered that at the beginning of last season it was freely predicted that a cut would be made on the excise tax on tobacco. This did not take place, however, the belief being that the Government was holding off on this measure, as well as others of a popular nature, and would use it as a pre-election gesture.

Situation is Sound

The present industrial and commercial situation is in sharp contrast to that existing a year ago. At that time, business was passing through a mild recession. The decline in activity was followed by an unusually well marked spring revival, an extremely small summer decline, and another vigorous expansion in the last few months.

The course of trade, therefore, was unmistakably upward during the greater part of last year, so that a comparison of the present level with that of a year ago has little significance.

Undoubtedly the decline in industrial activity at the close of 1927 paved the way for the progress that was made last year. It is certain that several of the so-called major industries—notably the iron and steel, automobile and building industries—have been operating at record levels during the past twelve months in response to an exceptionally active demand that has apparently kept stocks of manufactured goods at lower figures than in 1927.

The consequence is that the commercial situation appears to be thoroughly sound, despite the sustained activity of industrial operations. In this respect, business conditions present essentially the same aspect as a year ago. The high wages, widely distributed purchasing power, large consumption, conservative buying policies, and transportation efficiency that have characterized business in recent years apparently continue to operate as effectively as ever.

Trade Expansion Continues

Both in foreign trade, as well as domestic, progress continues to be recorded. During the twelve months ended November last exports reached a figure of $1,373,074,505. This compares with $1,246,400,447 in the preceding twelve months. Imports into the Dominion during the year ended November, 1928, were valued at $1,210,959,686, as against $1,085,630,230 in the preceding year.

The aggregate of both import and export trade totalled $2,584,034,191 for the past fiscal year, or approximately $252,000,000 greater than in the preceding twelve months period.

The large increase in imports has been due to the greater industrial activity in the Dominion. The major share of the importations has been in the form of raw or semi-manufactured form, for further manufacture by Canadian industries. The gain in exports was due mainly to a series of very high totals in the last few months. These high figures are attributed to the usual heavy shipments of agricultural products at this season, as well as to a more active demand for manufactured goods.

Changes in the volume of trade with various markets of the world are not pronounced, though there are indications that the inter-Empire trade movement is developing on a wider scale. Imports from other parts of the Empire advanced from $239,433,723 in the year ended November, 1927, to $253,121,552 in the following twelve months. During the same periods exports increased from $512,750,192 to $557,936,279. Eliminating the United States, imports from other countries show virtually no change in the last year, while exports are up about $65,000,000.

The level of commodity prices at wholesale has been exceptionally stable in the past twelve months. At the beginning of 1928 the general index was in the neighborhood of 150, as compared with the base number 100 for January, 1913. During the past year the increase and decreases from month to month were limited, the index seldom changing more than a point at a time.

At the end of last month, the index number of wholesale prices fell 1.9 points, being 146.7, as compared with 148.6 in November. This was largely due to the lower levels for grains, flour, potatoes, meats, eggs and other farm products and foodstuffs. Forty price quotations were lower, 27 were higher and 169 unchanged during the month. Of the eight main groups, five were lower, one was higher and two remained stationary.

Money Rates Irregular

Although commodity prices remain fairly stable, the violent fluctuations in money rates still give cause for uneasiness. While there is no call money market in this country, the rates quoted in New York have an appreciable influence on stock markets and indirectly business conditions in the Dominion, so that consideration must be given to the changes in the New York money rate.

While the rise in money rates is a development that might reasonably be expected to exert an adverse influence on general business activity, its effects in that direction so far have been negligible. In some respects the moderate advance in rates is a change for the better, since it tends to discourage any inflationary tendencies, either in trade or finance. At all events, there has as yet been little or no complaint of a shortage of funds for legitimate business purposes.

Slight Gain in Failures

Along the same lines, some attention should be paid to commercial failures. The number of bankruptcies as reported to the Government, showed a slight increase in November, 1928, as compared with the same month of 1927, while the liabilities of the assignors declined slightly.

For the first eleven months of 1928, commercial failures numbered 1,795, as compared with 1,652 and 1,602 in the corresponding periods of 1927 and 1926, respectively. The figure for 1928, however, is the third lowest in the past seven years and is roughly about half the number reported in 1922.

The more significant figure of liabilities shows the commercial failure situation in 1928 to be more favorable than either of the two preceding years. Liabilities for the first eleven months of 1928 amounted to $27,183,163, as compared with $27,983,513 and $28,247,574 in 1927 and 1926, respectively.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Latest 1928	Latest 1927	Cumulative for Year 1928	Cumulative for Year 1927
Weekly				
Car Loadings (Jan. 5, '29)	46,192	51,760	......	......
Stock Index (Jan. 10, '29)	915.1	999.0	......	......
C.P.R. Gross Earn. (Jan. 7, '29)	$ 3,371,000	$ 3,206,000	......	......
C.N.R. Gross Earn. (Jan. 7, '29)	$ 3,582,844	$ 3,777,897	......	......
Production— (Monthly)				
Pig iron, tons, (Nov.)	95,426	37,989	934,085	646,500
Steel, tons (Nov.)	108,463	80,730	1,137,160	811,390
Newsprint, cwt. (Oct.)	216,602	191,171	1,947,828	1,710,220
Automobiles (Nov.)	11,769	6,617	232,957	175,948
Boots and Shoes, pr. (Nov.)	1,289,758	1,408,979	16,500,018	16,319,997
Flour, bbls. (Oct.)	2,130,000	2,005,000	15,502,000	13,815,319
Construction—				
Building Permits (Nov.)	$ 15,822,401	$ 12,857,622	$ 203,522,961	$ 172,858,176
Contracts (Dec.)	18,905,200	36,682,000	472,032,600	418,951,600
Labor—				
Employment Index (December)	116.7	106.8	......	......
Trade—				
Imports (November)	$ 102,966,710	$ 94,311,883	$1,127,696,991	$1,003,865,235
Exports (November)	$ 167,013,618	$ 153,118,718	$1,218,903,980	$1,088,059,619
Imports of Key Products—				
Rubber, lbs. (Nov.)	6,270,000	4,292,000	62,352,000	53,988,000
Cotton, lbs. (Nov.)	16,955,000	11,987,000	116,702,574	104,576,458
Sugar, cwt. (Nov.)	823,274	657,799	8,637,236	......
Petroleum, gals. (Nov.)	15,397,947	15,966,366	330,551,154	......
Coal, tons, (Nov.)	1,890,020	......	16,045,728	......
Exports of Key Products—				
Newsprint, cwt. (Nov.)	3,923,734	3,599,372	......	......
Automobiles, No. (Nov.)	4,906	2,403	63,737	51,121
Wheat, bush., (Nov.)	75,416,597	52,805,237	316,339,598	210,253,425
Wheat flour, bbls. (Nov.)	1,159,213	1,149,474	9,814,301	8,306,174
Electric Power—Output—				
M. Kilowatt hours (Nov.)	1,438,880	1,313,834	14,461,151	12,848,668
Population—				
Emigration (Sept.)	7,538	9,542	......	......
Immigration (Oct.)	8,041	9,433	......	......
Finance—				
Failures, No.	......	......	1,863	1,993
Failures, Liabilities	....	....	$ 36,451,242	$ 26,056,208
Bank Debits (Nov.)	$4,431,843,134	$4,150,724,796	$39,606,026,909	$31,819,425,196
Bond Sales (Dec.)	$ 55,475,676	$ 16,711,620	$ 439,516,296	$ 617,266,673
Insurance Sales (Oct.)	$ 55,743,000	$ 48,104,000	$ 468,107,000	$ 408,302,000
Wholesale Prices (1913-100)—				
General Index (Dec.)	146.7	151.8	......	......
Iron	140.5	141.1	......	......
Cottons, raw	155.8	159.7	......	......
Grains	137.2	159.7	......	......
Cattle	134.5	140.4	......	......
Rubber	35.7	65.0	......	......

Business Conditions in United States

The total volume of money turnover during the week ended January 5, was greater than in the corresponding week of 1928, according to the weekly statement of the department of commerce. Activity in steel plants was greater than in either the preceding week or the same period of last year. Employment in Detroit factories, reflecting operations in the automobile industry, showed substantial expansion as compared with both periods. Petroleum output during the last reported week was higher than in either the previous week or the same period a year earlier. Bituminous coal production, on the other hand, was smaller than in either period.

Weekly Business Conditions
Average 1923-25=100

	1928 Dec. 22	1927 Dec. 24
Steel operations	105.8	88.0
Bituminous coal production	113.4	100.7
Lumber production	85.0	88.2
Petroleum production (daily average)	122.5	116.8
Detroit employment	110.5	91.3
Freight car loadings	93.7	86.5
Bldg. contracts 37 states (daily average)	105.5	121.1
Wheat receipts	98.6	64.3
Cotton receipts	197.7	119.6
Cattle receipts	63.9	65.2
Hog receipts	118.5	80.3
Price No. 2 wheat	86.0	102.3
Price cotton middling	75.0	72.8
Price iron & steel, composite	87.5	84.8
Copper, electrolytic, price	114.5	100.0
Fisher's index (1926=100)	96.9	96.0
Check payments	150.6	182.8
Bank loans and discounts	130.8	122.9
Interest rates, call money	178.8	103.0
Business failures	120.6	122.4
Stock prices	222.2	186.8
Bond prices	107.2	110.0
Interest rates, time money	188.6	97.1
Federal reserve ratio	83.2	86.7

December Sea Fish Catch Resulted in Substantial Gain

The total catch of sea fish on both coasts of the Dominion during December was 106,460,400 pounds, valued at $2,052,227 as compared with 75,036,000 pounds, valued at $1,501,206 during the month of November, 1927. The increase is due mainly to herring and salmon on the Pacific coast.

On the Atlantic coast there were 17,170,800 pounds of cod, haddock, hake and pollock taken as compared with 12,354,700 pounds in November, 1927. Increases were recorded in the catches of cod, haddock, pollock, smelts and lobsters.

The Lunenburg fleet returned home from its fall trip during the month. Although adverse and stormy weather was encountered on the banks, fair catches were landed.

The new season for lobster fishing, commenced in Charlotte and St. John counties, New Brunswick, during the month, 331,000 pounds were taken, all being consumed fresh. During the same period last year, 251,800 pounds were taken, all of which were consumed fresh.

The closed season on the Pacific coast for halibut again came into effect on the 15th of the month. Until the closed season took effect 1,890,700 pounds had been landed, while during the same period of the preceding year 1,927,500 pounds were landed.

A considerable increase is recorded in the catch of herring, 55,591,400 pounds being taken during the month under review as compared with 40,738,500 pounds in the preceding November. The bulk of these fish were dry salted for the Oriental trade.

Four hundred and seventy-two thousand and four hundred pounds of pilchards were taken during the month as compared with 113,700 pounds during the same month of the preceding year. The majority of these fish were used in the reduction works.

A considerable increase is also recorded in the catch of salmon.

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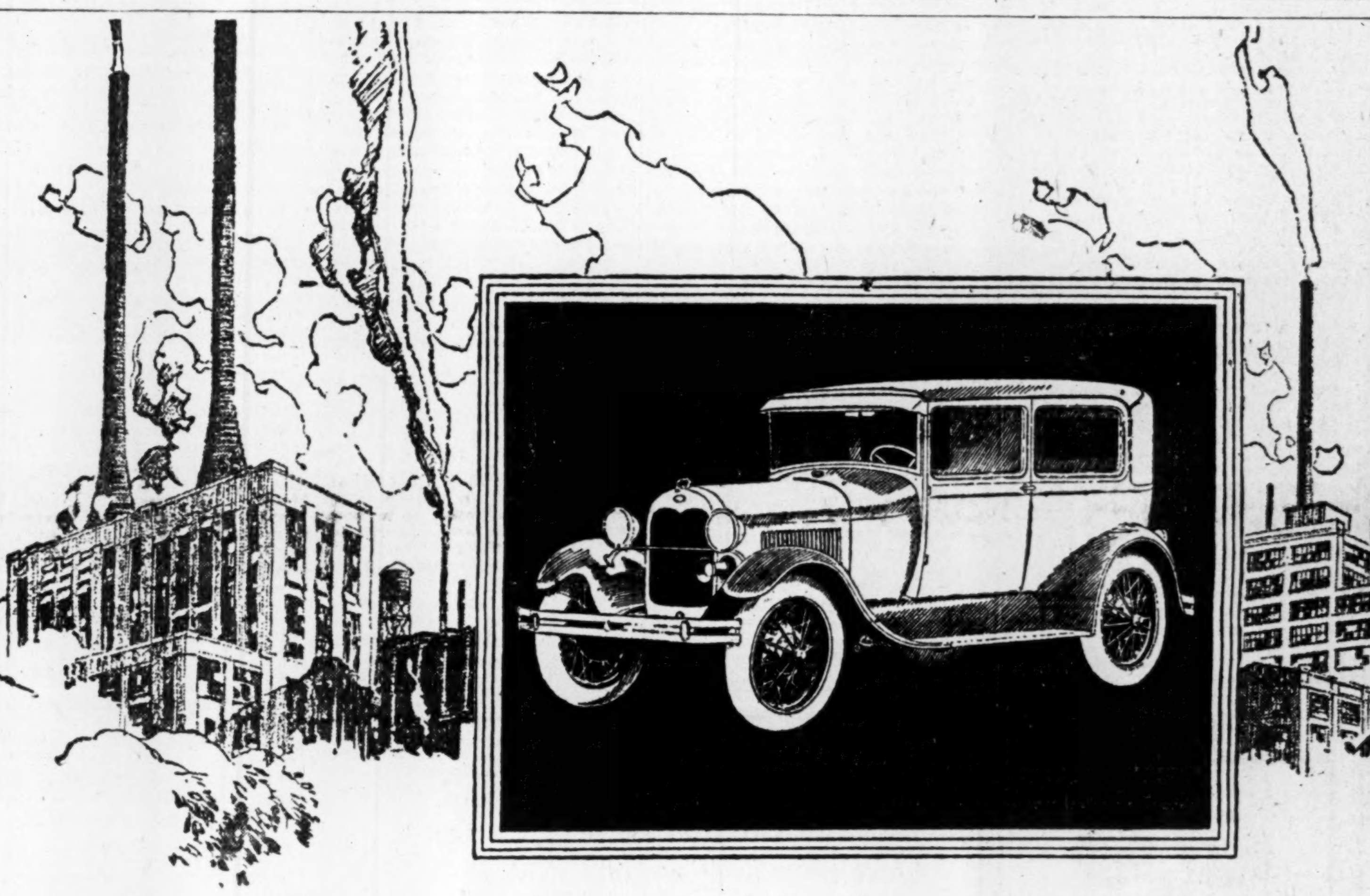

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Pulp & Paper

INTERNATIONAL PAPER SHARES PRICE STEADY

Price of A, B & C Shares Maintains Level of Former Stock

OUTLOOK UNCERTAIN

Appearance of Income Account Depends Solely on New Company's Depreciation Allowance

From Our Own Correspondent

MONTREAL.—The shares of the International Paper and Power Company, which are listed both in New York and in Montreal, have been changing hands at virtually the same level at which the shares of the International Paper sold prior to the exchange of stock for shares in the new holding company.

International Paper's stock sold around 56. Now the A stock of the new company sells about 29; the B stock about 16; and the C shares at 11.

The exact situation surrounding the earning power of the new International Paper and Power Company have been obscured for investors by the somewhat intricate exchange of stock of the old International Paper Company for shares in the new company. In a nutshell, it can be said that in 1929 the International Paper and Power company will earn the $2.40 annual dividend on its "A" shares—without making any allowance for depreciation. If a depreciation allowance this year in line with that made in former years be deducted from earnings, the payment of dividends will serve only to create a deficit.

Earning Power

The earning power of the company is summarized in the following article which has just appeared in the Wall Street News:

International Paper & Power Co., having completed a year of tremendous expansion into one of the largest power systems in North America, being by far the largest producer of paper products, faces a substantial deficit for 1929 if the depreciation charges are maintained at the present rate of approximately $9,500,000 a year for the consolidated properties. In view of the recent decline in newsprint prices, it is officially estimated that the company's budget for 1929 indicates that the consolidated earnings of company, including the New England Power Association, will show a balance after full dividends on the preferred stocks and after dividends at the present rate of $2.40 a share on the class "A" common stock, but before depreciation, of between $3,000,000 and $4,000,000.

No Decision Reached

Of the $9,500,000 depreciation charge, over $7,000,000 is on the International Paper Co. properties, as distinguished from the New England Power Association properties. Of this $7,000,000 it is pointed out officially that very little is required for current replacements, and substantially all is accordingly available as an addition to the net current assets or for construction or other capital purposes. Therefore, whether the results of 1929 will show a deficit of around $6,000,000 or a fair balance after all dividend requirements, directly depends upon the maintenance of this large depreciation charge. No decision has been reached whether, in view of the drastic decline in the price of newsprint, this depreciation charge should be maintained undiminished.

View as to Dividends

In view of this estimate concern is naturally expressed over the security of the $2.40 annual dividend inaugurated by the company on its class "A" common stock. It is officially pointed out, however, that if the estimated progressive increase in the earnings of the company materializes, it is expected this dividend will be maintained, but that such a statement should not be taken as a guaranty that the dividend will be maintained without interruption, since earnings estimates are of necessity subject to fluctuation as business conditions vary.

New Capitalization

From the above official estimates it can be assumed that consolidated net earnings of the International Paper Co. for 1929, after all interest charges, but before depreciation, will approximate $12,800,000. Assuming there will be 100 per cent. participation by the stockholders of the old International Paper Co. in exchanging their shares for the shares of the new International Paper & Power Co., there will be outstanding 960,784 shares of $100 par 7 per cent. preferred stock; 18,552 shares of 6 per cent. $100 par preferred; 1,000,000 shares of class "A" common, no par; 1,000,000 shares of class "B" common, and 2,500,000 shares of class "C" common, the latter giving effect to the additional offering of 1,500,000 shares of class "C" effective this week.

Requirements of Two Classes

Dividend requirements on the two classes of preferred stock would amount to about $6,836,800, based on the above issued amount. This would bring the amount available for the class "A" common, before depreciation, to around $5,563,200. Maintenance of the $2.40 annual dividend rate would require $2,400,000, leaving a balance of $3,163,200 for surplus, or from which depreciation charges could be deducted.

Any such apparently accurate prediction of the ultimate results for 1929 made so early in the year is obviously hazardous and subject to substantial variation due to changes in business conditions from time to time during the year. These estimates, however, are based on official forecasts of the year's operations.

Future Outlook

In considering the International Paper & Power Co. possibilities over the next few years, however, it can be reasonably assumed that with the gradual assimilation of the power properties of the New England Power Association as well as with the steady development of its own power enterprises a decidedly more favorable picture can be painted for the parent company. In view of the greatly expanded capitalization as a result of the tremendous program of expansion, it would logically seem that several years must elapse before earnings in the power division of the system will show gains sufficient to offset the declining earnings from newsprint operations. The stabilization of newsprint prices on a more favorable basis during the year can also be expected and would obviously change the complexion of the 1929 operations to a marked extent.

No Combined Statement Available

While earnings statement of the New England Power Association will be included in the consolidated earnings statement of the International Paper & Power Co. in the future, no combined statement is as yet available. For the nine months ended Sept. 30, 1928, the net income of International Paper Co. and its subsidiaries amounted to $3,675,379, a decrease of about $115,000 from the corresponding period of last year. Earnings of the New England Power Association last year were substantially in excess of those in 1927 when the company reported net income of $4,477,934.

Power Is Important

The combined earnings statement of International Paper & Power Co., which will include that of the New England Power Association, will also for the first time show the undistributed profits to the parent company of the 81 per cent. stock interest in the New England Power Association, acquired in the formation of the new parent company. Over half of the consolidated earnings of the system are derived from the segregated power and utility properties and the percentage will tend to increase as the assimilation of the utility properties progresses.

More Newsprint Used in U.S. in Past Year

From Our Own Correspondent

MONTREAL.—Although advertising is not increasing there was, fortunately, a fair increase in the consumption of newsprint in the United States in 1928.

Newsprint production in the United States, Canada and Newfoundland during the first eleven months of 1928 was 7 per cent. more than for the first eleven months of 1927, according to R. S. Kellogg, secretary of the News Print Service Bureau, New York.

Imports of newsprint into the United States for the first ten months of 1928 were 8 per cent. more than for the first ten months of 1927.

Exports of newsprint from the United States amounted to 9,325 tons for the first ten months of 1928 and 10,947 tons for the first ten months of 1927.

Exports of newsprint from Canada for the first ten months of 1928 were 17 per cent. more than for the first ten months of 1927.

Mill stocks of newsprint at United States and Canadian points amounted to 4.0 days' average production on November 30, 1928, and 4.7 days' on November 30, 1927.

Publishers' stocks, on hand and in transit amounted to 30 days' supply on October 31, 1928, and 34 days' on October 31, 1927.

Newspaper advertising in 30 leading cities for the first eleven months of 1928 was 1 per cent. less than for the same period of 1927 and 6 per cent. less than in 1926.

Periodical advertising in national publications in 1928 was 2 per cent. less than in 1927, and about the same as in 1926.

Pages printed in newspapers of over 100,000 circulation:

	Average for November Dailies	Sundays
1928	33	109
1927	32	109

INTERNATIONAL DEVELOPS PAPER FOR FARM USE

"Mulch Paper" Said to Raise Truck Crop Yield

A new planting method by which Canadian farmers may improve and increase their trucking crops, was revealed in a motion picture which has just been shown in Ottawa under the auspices of the Experimental Farms Branch of the Dominion Government.

A special type of heavy asphalt-treated paper, laid between the rows of a hoed crop, or laid so that tomato and other transplanted plants are placed in holes cut through the paper, has been found to greatly increase the yield per acre, while effecting considerable economies in labor. It conserves the soil moisture, a matter of vital importance to the producer, for moisture is very often the limiting factor of plant growth. It raises the soil temperature, which stimulates early development, and hastens maturity, a matter of great moment, especially in our climate. It is believed to speed up the work of the soil bacteria which, by the production and fixation of nitrates in the soil, make plant life possible.

Last, but by no means least to the practical farmer or gardener, it stops the growth of weeds and eliminates much of one of the most unpleasant parts of farm and garden work—for the weeds under the paper are cut off from sunlight and are unable to sprout.

International Paper Makes It

The International Paper Company some time ago entered into an arrangement with C. F Eckart, the inventor of this improvement in cultural methods, to manufacture a special type of paper for this use. Mr. Eckart had already introduced this as a standard practice in the production of pineapples on a large scale in South Africa. It is also in general use in the pineapple industry in Hawaii.

Recently the Canadian International Paper Company discussed the possible use of this "mulch paper" with the development branch of the Canadian Pacific Railway, and were recommended to bring the matter to the attention of the Experimental Farms System of the Dominion Department of Agriculture. The Director of the Experimental Farms System, Dr. E. S. Archibald, who has been for some time interested in this new development of agricultural practice, has shown keen interest in the work of the International Paper Company, and is understood to be planning experiments with "mulch paper" in the production of various crops.

Describe Use of Paper

Through the courtesy of the Mulch Paper Division of the International Paper Company, and under auspices of the Experimental Farms Branch, a very interesting moving picture was shown in the offices of the Government Motion Picture Bureau at Ottawa, to an audience of experts in agriculture, horticulture and pomology. Mr. Endicott Rantoul, manager of the Mulch Paper Division of the paper company, and Mr. H. V. Dunleavy, agriculturist of the company, were present, and gave much detailed information concerning the application of the paper and its effect as shown in the picture.

While it is still much too early to make claims as to the commercial feasibility in Canada of this method of increasing crop yields, everything so far done would indicate that it will be of great value to the growers of certain crops.

B.C. SHINGLE MILLS ALARMED AS U.S.A. TALKS OF TARIFFS

May be Forced to Find Markets in Other Lands

From Our Own Correspondent

VANCOUVER. — British Columbia operators are alarmed at the agitation being carried on in the United States for an increase in the tariff on Canadian lumber and shingles and are busy preparing to forestall the possible effect of the threatened change.

Forest experts at Victoria have advised that if the tariff is to be raised on Canadian lumber and shingles entering the United States it will be necessary for the industry to revolutionize its entire marketing machinery so as to promote sales in territory other than the States which now form the best consuming field for this province's forest products.

Large Part Goes to States

At present British Columbia disposes of about 90 per cent. of its shingle output and between fifty and sixty per cent. of its lumber to the United States, and with this market suddenly broken the economic effect on the industry here would be calamitous unless some means is discovered of selling the lumber and shingles advantageously elsewhere.

One ray of hope is seen by the forest officials in the probability that a high tariff on Canadian produce would probably result in higher domestic consumption of United States lumber products and this in turn would possibly reduce the exportable surplus of the United States in those commodities, thus opening a field for development of Canada's export trade in the products shut out from the American market.

Seek Subsidy on Shipments

British Columbians are already making a strong bid for an increased share of lumber trade with Australia and the move for higher tariff against Canadian lumber in the United States might influence Ottawa in granting the request of the coast industry for action that would lead to lowering of the Australian tariff for Canadian lumber and for a subsidy on lumber exported from Canada to Australia and New Zealand.

The 50 cents a thousand duty on shingles which, it is understood, has been proposed in Washington would be sufficient to oust the Canadian shingle from the United States market altogether, in the opinion of lumbermen here. At the present time the average price for Canadian shingles in the United States is higher than that paid for American and the price advantage has been maintained on the ground that the quality of the Canadian shingle averages higher than that of the American. But with the 50 cents added the difference in price would be too great to be offset by any other condition and sales would probably drop off to the vanishing point, manufacturers claim.

Forest officials here, apart from the objection to the higher United States tariff seen from their own viewpoint, insist that it would be an unwise move so far as possible effect on the United States industry is concerned. They point out that a sudden increase in the domestic market for American lumber and shingles would hasten the depletion of existing stands of timber in the United States. Further, they contend that the real competitor of the American shingle is not the Canadian shingle but the manufactured patent roofing, which is a substitute for the familiar red cedar product. They maintain that shutting out of the Canadian shingle would almost certainly lead to an increased price for the American shingle in the United States, which would make it more difficult than ever for the American shingle to hold its own against the steadily strengthening competition of metal and other manufactured roofings which have no timber base.

Meanwhile the fight for better terms in the trans-Pacific trade for British Columbia timber products is being continued. Two requirements are regarded as essential to the development of the trade with Australia. The first is the expansion of the present trade agreement with Australia that will provide for the British preference on Canadian lumber entering the Australian market. The other is a subsidy from the Canadian government to a freight service from Canadian Pacific ports to the commonwealth.

Robb Promises Aid

In recent interviews between the British Columbia lumber interests and the federal minister of finance, Hon. James Robb, the whole situation was canvassed and Mr. Robb promised to attempt the revision of the whole tariff schedule as soon as Australia's new government entered office. It is expected that the question will be dealt with at the next session of the House of Parliament at Ottawa, commencing early in February.

Hon. James Malcolm, minister of trade and commerce, in a recent interview said that he favored preference for Canadian lumber products but doubted whether a subsidy such as the lumbermen proposed could be granted inasmuch as other manufacturing interests would probably have an equal claim to such assistance. It was proposed by the lumbermen that Ottawa should subsidize the lumber trade with Australia to the extent of $10,000 a cargo on the understanding that British Columbia would ship at least twelve cargoes in a year, making a total subsidy requirement of $120,000 annually.

Big U. S. Subsidies

The British Columbia lumbermen are emphasizing in their plea to Ottawa that the $120,000 subsidy would be a mere bagatelle in contrast with the heavy subsidies being paid by the United States government for the advancement of export trade. It was pointed out that the United States government subsidizes various trans-Pacific shipping services to the extent of more than $5,000,000 a year, and that this makes the competition beyond the resources of British Columbia private interests.

British Columbia lumbermen state that while the subsidy payments are ostensibly for the carrying of mails they are really camouflaged and made applicable to freight shipments as well. It was instanced that a cargo of lumber recently left a Columbia river port and that two sacks of mail were carried along too so that the shipping company might receive a $16,000 subsidy. The only subsidy paid by the Canadian government on the Pacific coast is to the Canadian-Australia Royal Mail Line, amounting to $115,000 annually. This company, however, anxious to pick up as large profits as possible, caters almost exclusively to passengers and general cargo and last year carried only 8,000,000 feet of lumber.

Import figures in Australia show that the commonwealth imports annually about 800,000,000 feet of lumber annually.

St. Lawrence Programme Is Nearly Concluded

From Our Own Correspondent

MONTREAL.—The construction work on the extensions to the St. Lawrence Paper Mills is up to schedule; it is expected that the two additional newsprint machines will be ready to operate by the beginning of February. In addition to doubling its present capacity of 130 tons of newsprint daily, the company has been carrying out a more or less complete programme of betterments in its existing mills. The manufacturing and operating costs of the plant have always compared favorably with other mills in the industry, so that the betterments and replacements now under way should result in a decline in its already low operating costs.

The fact that the work has progressed on schedule time is the more satisfactory, as construction has been somewhat hampered due to the recent unfavorable weather conditions and the high water levels of the St. Lawrence river.

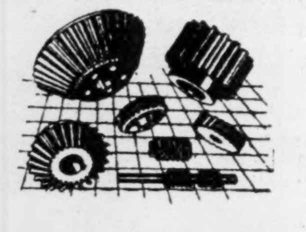
The new newsprint machines are housed in a separate unit from the company's present newsprint mill. To the original mill has been added a new boiler house with new boilers and an improved firing system. A complete new coal handling equipment has also been provided. The sulphite mill is being altered to permit production of pulp by another new, and more efficient process.

Pulpwood Industry Revives

The pulpwood industry in Nova Scotia shows signs of a revival with the beginning of a movement to reduce the surplus of material that had recently accumulated. It is anticipated that the demand from the pulp mills will exhaust the surplus stocks in the province during the shipping season of 1929 and that the next peeling season will be on new wood. The present movement of pulpwood to the mills is the first since May last.

Lethbridge Area Prospers

Agricultural and industrial production on the Lethbridge division of the Canadian Pacific Railway during the year 1928 is estimated by The Herald at a total of $82,860,000, made up as follows: Wheat, $45,000,000; other grains, $6,000,000; sheep and wool, $2,000,000; cattle and hogs, $6,500,000; poultry and poultry products, $2,500,000; dairy products, $3,500,000; potatoes and vegetables, $1,500,000; hay and feed, $1,800,000; honey, $60,000; sugar, $500,000; coal, oil and gas, $12,000,000 and manufactures, $1,500,000.



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tells you exactly how much

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Montreal, Toronto, Winnipeg, Vancouver

The Uses of Paperboard

The Counter Display Carton

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HEAD OFFICE—2 Seigneurs Street—MONTREAL

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Vice-President: P. A. Thomson

Directors:
J. S. Aird, A. J. Nesbitt, M. A. Thomson, P. A. Thomson, Jas. B. Woodyatt

Sec: L. C. Haskell — *Treas:* Chas. Johnstone

BALANCE SHEET
As at December 31st, 1928

ASSETS

Cash on hand and in Bank		$ 25,223.44
Call Loans		281,825.00
Investment Securities	4,305,758.25	
Accrued Interest thereon	34,359.37	
		$4,340,117.62
		$4,647,166.06

LIABILITIES

Loan Payable	$35,639.58
Interest accrued on Debentures	52,083.30
Capital:	
5% Debentures 1958	$2,500,000.00
Preferred Stock 6% Non-cumulative Convertible:	
Authorized 25,000 shares of $50. par value.	
Issued 25,000 shares of $50. par value	1,250,000.00
Common Stock:	
Authorized 100,000 shares no par value.	
Issued 75,000 shares no par value	475,000.00
Reserve for Income Tax	25,000.00
Surplus	309,443.18
	$4,647,166.06

Signed on behalf of the Board: A. J. NESBITT, J. B. WOODYATT } Directors.

AUDITORS' CERTIFICATE

We have audited the books of the Canadian Power & Paper Investments, Limited, for the year ended 31st of December, 1928, and have received all the information and explanations which we have required.

We certify that, in our opinion, the above Balance Sheet and relative Profit & Loss Account correctly set forth the financial position of the Company at 31st of December, 1928, and the results from operations for the year ended that date, according to the best of our information, the explanations given to us and as shown by the books of the Company.

(Signed) P. S. Ross & Sons, Chartered Accountants.

Montreal, January 10th, 1929.

PROFIT AND LOSS ACCOUNT
For the Year ended Dec., 31, 1928

Gross Revenue		$488,768.90
General and Other Expenses		33,123.53
Profit on Operation for year ended Dec. 31st, 1928		$455,645.37
Deduct:		
Interest on Debentures	$101,754.05	
Reserve for Income Tax	25,000.00	
		126,754.05
		$328,891.32
Balance at Debit, Dec. 31, 1927		19,448.14
Balance at Credit, Dec. 31, 1928		$309,443.18

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WABASSO COTTONS are equal to the finest products of the English mills in beauty, fineness of texture and durability. And they are made in Canada—from only the finest grade of raw materials.

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Beaupre, Que. — Iroquois Falls, Ont.
Sturgeon Falls, Ont. — Smooth Rock Falls, Ont.
Espanola, Ont. — Fort William, Ont.
Pine Falls, Manitoba

Daily Capacity 2200 Tons Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Silent Pinions
any size or type
Hall Gear & Machine Co. Ltd.
37 Grosvenor St., Toronto

BATHURST

Newsprint Paper
Kraft Pulp
Unbleached Sulphite Pulp

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Offer
CANADIAN GROWN
Evergreens, Trees, Shrubs, Perennials, Alpines, Vines, Roses
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Nurseries 260 Acres
CLARKSON, ONT.

JAMES W. SEWALL
Consulting Forester
OLD TOWN, MAINE

The Canada Power & Paper Corporation

Total Daily Capacity of Plants: 1250 Tons of Newsprint.

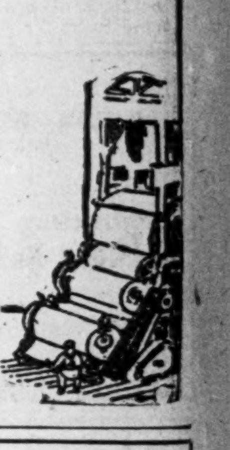
Also producing Cardboard, Wrapper and Sulphite, Kraft and Groundwood Pulps.

Successor and Operating Company of:

Belgo-Canadian Paper Co. Limited

Laurentide Company Limited

St. Maurice Paper Company Limited



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Pulp and Paper Mills — *Power Developments*

PORT ALFRED PULP & PAPER CORPORATION

Newsprint and Sulphite Pulp

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CANADA CEMENT COMPANY BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P. Q.

DOMINION TEXTILE CO., LIMITED

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All Lines of White and Grey Cottons, Prints, Sheetings, Shirtings, Pillow Cottons, Long Cloths, Cambrics, Ducks, Bags, Twills, Drills, Quilts, Bureau Covers, Towels and Towelling, Yarns, Blankets, Rugs, Twines, Narrow Fabrics
AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.

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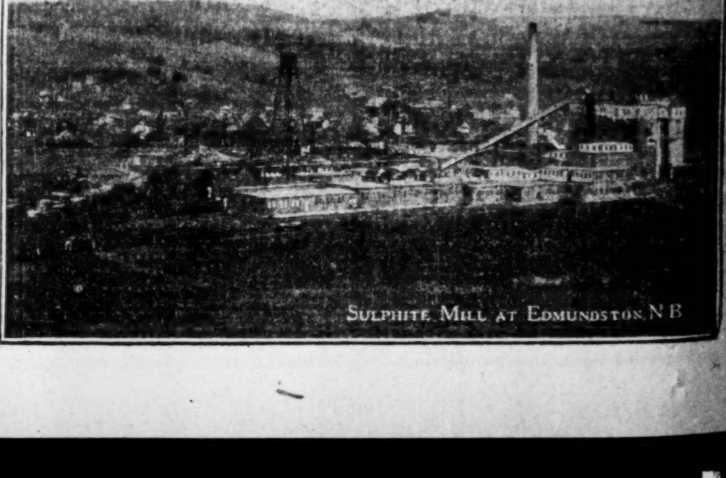
FRASER COMPANIES LIMITED
EDMUNDSTON, N.B.

Lumber :-: Bleached Sulphite Pulp :-: Fine Papers



Sulphite Mill at Edmundston, N.B.

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

Pressed Metals

Do you think Pressed Metals a good buy at present prices?

Subject to the fact that Pressed Metals of America has only one product which is dependent on one industry—the automobile industry—at this time, we would say that the common stock of the company is an interesting and promising investment for a business man.

Moore Corporation

I would appreciate very much if you would give me some information about Moore Corporation, which closed on December 18 at 32½ per share. Do you consider this a safe investment with possibilities of enhancement at the market price?

Moore Corporation, in our opinion, is a sound investment which probably will show a satisfactory appreciation.

International Nickel

Is International Nickel a good buy at 55 or 60?

We are of the opinion that International Nickel is a promising stock for a hold of a year or longer. The company is expanding very rapidly and is considerably ahead of its building and development programme in the north. The market for nickel is increasing, and the recoveries of copper will make International Nickel one of the important low-cost producers of that metal on this continent.

International Paper

Do you deem it advisable to hold International Paper and Power Co. 7 per cent. preferred, new? I notice that the new is selling around 90 and the old around 95.

International Power and Paper preferred admittedly has some attractions as a long hold for a business man. But the newsprint situation still is speculative, and we are inclined to feel that there are other stocks in the same class as International Power and Paper which have more attractions as a hold.

McKnight Oliver Holding

I wish to get some information regarding the McKnight Oliver Holding Company of Hamilton, Ont. These people are offering stock in a company that proposes to make steel by some new method.

If and when the McKnight Oliver Holding Co., of Hamilton, has behind it a record of five years' profits, it might be considered a seasoned investment. It is an industrial company in the embryo stage at present, and persons who put their money into it are merely hoping, not investing, in our opinion.

Canadian Clench Wheel Vitomen Cereal

Please let me know what you think of Canadian Clench Wheel and Vitomen Cereal, Ltd., of Vancouver.

We could not recommend either Canadian Clench Wheel or Vitomen Cereal, Ltd., of Vancouver, as investments unless there have been in the last few weeks highly favorable developments in those companies, about which we have not been informed. As both companies at the best must be considered unseasoned enterprises, the investments under the most favorable circumstances must be classed as highly speculative.

Roby's Products

I would greatly appreciate your advice on buying stock of Roby's Products, Ltd.

Roby's Products, Ltd., is a company manufacturing special brands of paint. The company operates a small factory in Montreal. We believe that the investment is possibly not unsatisfactory for a person desirous of a high yield. It has the defect of lack of marketability. The treasury stock is still being sold, and we believe that the financing will not be completed for a year or more. In the circumstances if a shareholder desired to sell his stock he would find difficulty.

Canada Paving

Would you kindly give me your opinion of investing in the new issue of 7 per cent. 1st preference shares of the Canada Paving & Supply Corporation, Ltd. Also the common stock, and whether they are listed on the stock exchange.

We believe that the new issue of Canada Paving & Supply Corporation, Ltd., is attractive. The stock is being placed by McLeod, Young, Weir & Co., which is a reliable and sound investment banking house.

The shares are now being traded in on the Toronto Stock Exchange.

Inter. Pete or Nickel?

I am considering buying either International Petroleum or International Nickel. Which, in your opinion, is the best buy for market appreciation over a hold of a year or more?

We do not know whether International Petroleum or International Nickel is the better buy at the moment. Why not buy both?

We are very favorable impressed with long-term outlook for both of these stocks, although International Petroleum in common with other crude oil producers is faced with the problem of over-production and International Nickel already has experienced a substantial advance over two years ago.

Brazilian Traction

Please advise me as to your opinion on Brazilian Traction.

In our opinion Brazilian Traction common stock at this time is a sound one to be held for two years or longer. The present price discounts the future to some extent, but the company is one of the most important utility holding companies in the world, and in view of the fact that the Republic of Brazil is fairly prosperous and politically stable, it is reasonable to expect some further appreciation in market value of the common stock. The market situation is extremely good, and it is reasonable to expect that in the event of a break in the market, these shares will not suffer any more than any other of the substantial leaders.

Well Diversified

May I have your opinion on the following list of investments:?

Can. National Railway, 5%—$1,000
South Can. Power, 5%, 1st mtge. bonds—$1,000.
Burns & Co., 5½% 1st mtge. bonds—$1,000.
Western Steel, pfd., 6½%—$1,500.
Dominion Envelope & Cartons—$500
2nd Can. Gen. Invest. Trust—$500

You have a well-diversified list of investments, and we do not see anything which you need consider selling. In case you are not in immediate need of income from your investments, we would suggest that you buy the common stocks of the leading Canadian utility and industrial companies as you get further funds for investment.

Imperial Oil

I hold 20 shares of Imperial Oil bought at 65. Would you advise me to sell this and invest in International Petroleum at 55?

For the long pull, Imperial Oil undoubtedly is just as attractive as International Petroleum, because Imperial Oil owns more than a majority of the stock of International Petroleum.

International Petroleum, on the other hand, possibly has not kept up and is consequently selling out of line. In the immediate future this spread between the two stocks may be overcome. This is merely our opinion, and in the circumstances it is a little better than a guess owing to the fact that Imperial Oil in the last year has shown a tendency to keep that much farther ahead of International Petroleum.

Northern Bakeries Brantford Cordage

Would advise a switch from Northern Bakeries and Brantford Cordage?

The immediate future of Northern Bakeries possibly is not as attractive as it might be in view of the fact that the price of bread has been reduced in Toronto where the company operates in a substantial way, and because it is not apparent from the balance sheet of Consolidated Bakeries that the present dividend is being earned on the additional share.

Brantford Cordage Company has staged a remarkable come-back in the last year, but as an investment it must be remembered that the company is dependent on a single product and that it must continue to face competition from other countries where labor costs are much lower than in Canada.

Imperial Oil Standard Paving

What in your opinion is the possibility of appreciation in compensation for low yield of: Imperial Oil, International Pete, Standard Paving and Construction, Power Corporation and F. N. Burt?

Would not Imperial Oil be considered more attractive than International Petroleum in view of the Imperial Oil heavy holding in Petroleum?

Standard Paving & Construction Co., Ltd., is one of the newer issues which are attractive although for the time being it cannot be expected that there will be the broad market interest in this security that there is in such a sound established company as Imperial Oil, International Petroleum, etc. Power Corporation of Canada is rapidly getting into the investment class, and we believe that F. N. Burt Co., Ltd., is a sound investment.

In the immediate future it is possible that International Petroleum may do a little better than Imperial Oil, but over the long pull Imperial Oil possibly is the better purchase in view of the fact that any progress which International Petroleum makes must eventually be reflected in the position of Imperial Oil.

A Study in Oils

Taking it for granted that Standard Oil of New Jersey owns 75 per cent. of Imperial Oil and Imperial Oil owns 60 per cent of International Petroleum and International Petroleum controls Tropical Oil Co., would it not be well to buy stock in the parent company when purchasing into this group and thus share in the future of them all?

A great many people are asking the same question. Your theory is correct. On the other hand, there might come a time when a parent company might use revenues from subsidiaries for the purpose of helping other subsidiaries or expanding in other directions. In such circumstances the returns might come more quickly from investment in a subsidiary company.

International Petroleum does not appear to have kept pace with Imperial Oil; in other words, we think that it is selling out of line in relation to Imperial Oil. The more immediate future perhaps is brighter for International Petroleum than for Imperial Oil, but over a term of several years it is possible that the better investment is Imperial Oil. We think that both are good. There are no shares of Tropical Oil Company outstanding except those in the treasury of International Petroleum.

United Fuel

We should be much obliged to have your opinion on preference shares of United Fuel Investments Company of Hamilton.

United Fuel Investments, Ltd., of Hamilton, Ontario, is a holding company for the Hamilton By-Products Coke Ovens and the United Gas and Fuel Co. We understand that the operating companies have made considerable progress in the last several months, and the long-term outlook for the company, in view of the probable continued growth and prosperity of Hamilton and districts, is not unfavorable, in our opinion. One advantage that the operating companies have is that by the process of manufacture in use the production of gas or coke may be varied in accordance with demands for either product.

Evidently the technical position of the market, therefore, at the present time is not good. This might not be a factor affecting the investor who is contemplating a purchase for a hold of a year or longer. The present price of the preferred stock is several points below the offering price, taking into account the 30 per cent. bonus of common stock. We believe that the operating companies are excellently managed and that the plants are as modern as any now in existence.

Muirhead's Cafeteria

I bought stock in Muirhead's Cafeteria a year ago at $15.50 and have bought four new shares at $7 per share since. I notice that the stock has declined 50 per cent. since I purchased and would like your opinion as to the reason for the decline.

Muirhead's Cafeteria has been a disappointment from a market point of view. There probably are two reasons for this.

First, is the fact that in the last year the smaller companies marketwise have not been very good investments. Following the break in the market about February 1, 1928, there was a depression in all classes of stocks, and in the subsequent upswing, public interest was concentrated largely in the leading issues. Muirhead's cannot be classed among the leading issues as the company is a small one with a comparatively small number of shares outstanding and operating only in one city, Toronto.

The second reason, possibly, for the decline is that there was a block of shares overhanging the market prior to January, 1928. We do not know positively, but we have an idea that these shares have been distributed among the public during the year. Moreover, there was a large number of small speculators who were in the stock for a quick profit, and when the shares had appreciated somewhat rapidly from around $10 to about $15 or $16, there was considerable profit-taking.

Our information is that the company is doing very well despite new competition that has been created within the last few weeks. Muirhead's, opened a new restaurant on Bay Street, Toronto, some months ago, and to all appearances it is doing a good business. The management is efficient.

Ontario Bakeries

I am a fairly well-to-do farmer with not many outside investments. About six months ago I purchased $1,500 Ontario Bakeries sinking fund gold bonds series A, 6 per cent. to mature in 1946, at par without any previous investigation. I have become somewhat dubious of them and am considering disposing of them.

I would appreciate receiving your opinion of them as an investment proposition under the circumstances, and also an idea of what price I would be likely to obtain should I decide to sell.

Ontario Bakeries, Ltd., about a year ago was purchased by F. K. Morrow, who has had a successful career in the financial end of the grain, milling and baking business. He is a director of the Bank of Toronto and up till recently controlled Northern Bakeries. He will be on the board of Consolidated Bakeries.

Mr. Morrow, perhaps, has not much of his own money in Ontario Bakeries at this time, but it is likely that the company is getting the benefit of his experience and advice. The bonds of Ontario Bakeries do not rank very highly, but we understand that the position of the company is improving gradually. It is possible that eventually Ontario Bakeries will be merged with one or other of the larger companies, possibly Consolidated Bakeries, which will be controlled by Ogilvie Flour. It would seem that the situation at least is no worse and may be much better than when you bought these bonds.

H. Simon and Son

I have a block of shares of the H. Simon & Sons Company, on which I have a good profit. Should I sell now?

We understand that during the past nine months period, H. Simon and Sons has earned over $6 a share. Probably, though, the management will show something less than this when the annual report is published. The fact that these earnings were achieved during only a nine months' period is not quite as significant as it seems for the first three months of the years are always the period of lowest earnings for the company.

Simon's has recently established new brands and has been advertising more vigorously. Hence, it is felt by those with a knowledge of the company's operations, that it can expand in future.

On the other hand the company is a small organization compared with the other cigar manufacturers. We are inclined to feel that the shares are a hold only if they are included in a well diversified list of speculative holdings.

In other words, the stock is speculative and we think that you would not go far wrong by taking your profits—provided you do not hold the shares in a well diversified list of speculative holdings. In our estimation diversification is of even more importance in speculation than it is in investment. As a speculation, though, the stock looks like a hold.

DeForest-Crosley Radio

I would appreciate your advice regarding Potter Doal Mine, and DeForest-Crosley. What are the prospects of these companies? Are there any profits in sight?

The opinion of our mining editor is that Potter Doal Mines has very poor prospects at the present time.

DeForest Crosley Co. of Canada is one of the new issues recently placed on the market. We are informed that earnings are highly satisfactory, and we believe that, subject to the hazards surrounding a new business like the manufacture of radio receiving sets and also subject to the fact that the smaller companies have not that broad investment interest of the large concerns, we would say that the investment probably will be satisfactory.

Carling and Brading

What do you think of the stock of Carling and Brading breweries as an investment? Are they safe and what is the outlook for appreciation in the near future? Any additional information that you can give me will be appreciated.

Carling Breweries is one of the largest in the industry. Its earnings are quite high and the dividend of $2.50 for the last year gives a satisfactory yield. The company is doing a good domestic business, but, of course, its profits would be reduced materially if anything were to happen to the export market.

Brading Breweries is a small company, and it would seem that many other stocks are more attractive. Both these companies would be affected if something eventually were done to prevent the vast quantity of beer from going across the border. It is anyone's guess as to whether rum-running will be stopped or slowed up, but the threat has an effect on the stock market. Brading's is one of the stocks which has not done well marketwise, and there seems to be little information of an official character coming out about the prospects of the company. Still the high yield on the shares would make them fairly attractive if included in a widely diversified list of speculative securities, backed by a number of sounder stocks.

There are a number of conditions which would seem to mitigate against the probability of early market appreciation in the beer stocks. The number of beer stocks is an unfavorable factor since the public interest in this class of security is not concentrated on any one as a leader. We are of the opinion that the brewing industry, in Ontario at least, has been somewhat overdeveloped in the last two or three years. Certainly the productive capacity is greatly in excess of the domestic demand at present so that the continual threat of loss of the export market adversely affects the prices of the shares.

Can. Wineries - Zimmerknit

I now hold the following stocks:
18 Hamilton Dairies, pfd., at 100.
20 Hamilton Dairies, com., at 18.
10 Eastern Steel Products, pfd., at 100.
25 Eastern Steel Products, com., at 17.50.
50 Zimmerknit, com., at 18.
25 Canadian Wineries, at 22.

Would you advise switching any one or all of these to such stocks as City Dairy, common, Shawinigan Water and Power, or Massey-Harris?

As they are leading companies in their respective industries, City Dairy, Shawinigan Water and Power and Massey-Harris naturally are deserving of a higher investment rating than Hamilton Dairies, Eastern Steel Products, Zimmerknit and Canadian Wineries. It is much more difficult to select stocks for appreciation in the group of companies which do not occupy the position of market leaders, and none of these latter stocks can be expected to assume the position of market leaders.

Canadian Wineries is a long hold investment. The company's earnings will be moderate at least until such time as it has a considerably larger stock of wine matured for two or three or five years. We understand that some internal re-organization is necessary in Zimmerknit before the company will be in the best position possible. We believe that the outlook for Eastern Steel Products is favorable. The earnings on Hamilton Dairies common stock were not high in 1927, but we understand that there was a material improvement in 1928.

Fanny Farmer

I hold common stock in Fanny Farmer Candy Shops, Inc. Some time ago you published an article on "Sales Expansion of Fanny Farmer," and on checking over the sales for corresponding ten month periods in 1927 and 1928 I found the increase to be between one and two per cent. Are my figures correct, and if so is this not rather slow progress? What is your advice?

It is true that the shares of Fanny Farmer Candy Shops, Inc., have not shown any great increase in 1928 over 1927. But, on the other hand, there has been an actual increase, while we understand that other chain candy stores in the United States have reported decreases in a number of months in 1928. The chain store candy situation in the United States has not been particularly good for a year or longer, and in the circumstances it is encouraging to shareholders of Fanny Farmer Candy Shops that their company has been able to make progress.

We have considerable confidence in the management of Fanny Farmer Candy Shops. Certain stores in the New York area have been closed because they were not making profits. A new territory is being opened up at Cleveland, Ohio. At present there are not enough stores in operation to enable the company to show a material profit on the operation in that district, but we understand that the sales per store are satisfactory and the company expects that the district will be profitable as soon as enough stores are in operation to carry the factory and other overhead expense.

The market situation regarding Fanny Farmer Candy Shops is not particularly good. The company is a somewhat small one, and the small companies have not done very well marketwise in the last year. On the whole, however, believe that the investment will be satisfactory if the shareholder is reasonably patient.

B. C. Power

I am looking for a stock that will give me a fair appreciation in six months time. What do you think of B. C. Power "A" in this regard? What dividend do they pay? Is the stock a preferred issue?

If you are thinking of investing in B. C. Power "A" shares, we would advise you to regard them as a hold for more than a year. As a long hold, the shares look excellent. We believe also that they stand a good chance of appreciating a little within the next twelve months. But we regard the shares as a hold for longer than a year. In the latter class they are undoubtedly very attractive.

The shares are now on a $2 a year dividend basis.

The stock is preferred up to $2 a year. Then, it participates equally share for share with the "B" stock in further dividends up to $5 per share per annum. This is the maximum the stock can ever pay its holders.

Simon Cigar

I hold a small block of shares of Simon Cigars. I am considering taking my profits as the stock has gone up a good deal since my purchase. Would you be inclined to hold the stock?

We understand that during the past nine months period, Simon's Cigar have earned over $6 a share. Probably, though, the management will show something less than this when the annual report is published. The fact that these earnings were achieved during only a nine months period is not quite as significant as it seems, for the first three months of the year are always the period of lowest earnings for the company.

Simon's has recently established new brands and has been advertising more vigorously. Hence, it is felt by those with a knowledge of the company's operations that it can expand in future.

On the other hand the company is a very small organization compared with the other cigar manufacturers. We are inclined to feel that the shares are a hold only if they are included in a well diversified list of similar speculative holdings.

In other words, the stock is speculative and we think that you would not go far wrong by taking your profits—provided you do not hold the shares in a well-diversified list of speculative holdings. In our estimation diversification is of even more importance in speculation than it is in investment.

Abitibi Power

At their present low level, it seems to me that the bonds of the Abitibi Power and Paper Company are a good purchase in their class. Has not the market about discounted the situation in the newsprint industry? How will earnings be during 1929? Do you think these bonds would be a good investment if included with other strong issues?

The views expressed in your letter on the bonds of the Abitibi Power and Paper Company coincide with our feelings about the issue. The issue was put out at 94.5 by a strong U. S. Canadian banking syndicate. But the development of the newsprint situation since that time, coupled with some decline in the prevailing prices for bonds generally has resulted in the Abitibi bonds selling at their present level.

There is just one other point that we would make, namely the present situation in the newsprint industry may be of some duration. Hence, there exists the possibility, but not the probability, that the bonds will sell a little lower.

In view of the situation existing in the newsprint industry, though, we would advise you, if you desire to purchase these bonds, to invest only a proportion of your assets in the issue.

The bonds are undoubtedly well secured as to assets. Probably, during the current year earnings of the company will only equal little more than the preferred dividend requirements. We believe that the situation in the newsprint industry would have to grow very much worse before there would be any possibility of the company not earning its bond interest requirements. We do not look for any decline in the consumption of newsprint and therefore we feel that the gradual trend over the next two or three years should be towards a general all round improvement of the industry. Nevertheless, as you are aware the bonds have a speculative tinge and you should make your commitments accordingly.

When to Buy

I read quite a bit about stocks being too high at present prices and would like your opinion as to whether I should buy at this time or wait for several months.

I have been considering Brompton, Brading Brewing, City Dairy, Waterloo Manufacturing Co., Brazilian, B. A. Oil, International Pete, Supertest and Imperial. I am inclined to favor Imperial but the price seems rather high. Would you mention four or five stocks which in your opinion are the best purchases for either a hold of a year or two, or a quick turn-over? I have $10,000 for investment.

In our opinion, the time to buy sound common stocks is when you have the money.

There are many individuals in Canada who have been expecting a market break for three years and consequently have not been in the market to participate in the very substantial appreciation in market values of sound stocks.

We have the utmost confidence in the future of Canada, and leading companies in essential industries necessarily must prosper if the country is prosperous.

Five leading Canadian stocks in different industries are: Montreal Power, Steel Co. of Canada, Canadian Pacific Railway, Massey-Harris Co., and City Dairy of Toronto.

Brazilian Traction is a Canadian company, but its revenues are derived entirely from subsidiaries operating in the Republic of Brazil. Our information is that the company's prospects are excellent, and it is the opinion of competent judges that the stock will appreciate in market value over a term of years.

Imperial Oil, Ltd., has gone ahead rather rapidly, but we are not sure that you will be able to buy it at a lower price. International Petroleum and British American Oil are sound companies. Supertest Petroleum is a much smaller distributing company, and the market situation at the moment as regards the stock is not entirely satisfactory. But we are informed that sales have grown considerably in the last year and the outlook for the company is considered very good.

Waterloo Manufacturing Company should be a satisfactory investment.

When Women Invest

One Is Attracted to Common Stocks in Hope That Appreciation Will Enable Her to Build Home; Perhaps Has Too Great an Investment in One Security, Although Company Is Sound One.

A WEEKLY FEATURE

I have several times gone over your article on "Common Stocks as key to Investment Success," as published in The Financial Post of November 30, and have decided to write you for advice.

I am alone; that is, there is no one that I can look to for help, and therefore I need to have my $5,000 increase. The brokers do not seem to be much help, the only thing they did was advise me to buy more Canadian Canners.

Far From Stock Exchange

I have 20 shares Can. Canners 1st preferred and 135 shares 2nd preferred. I have 400 shares Big Missouri and 1,000 shares Georgia River. The mining shares I want to hold, as I think they will both be good in the spring, but I think I have too much Canners. Last spring on the advice of the brokers I sold bonds I had and bought 10 first and 52 2nd Canners. I had thought of buying Dominion Bridge. Would it not have been better? Would you advise me to sell my 2nd preferred or do you think they will appreciate in the near future? I would like to get something that would give me a good appreciation in the next three or four months.

I am very far away from a stock exchange, and the reports are several days old when they reach here, so that a stock could go up and down again before I would know anything about it. Would it be wise to give a broker orders to sell at a certain figure? Would your scheme be feasible for one in my position?

I have two lots here on which I want to build a small home and I want to do it with the appreciation of the $5,000 I have in Can. Canners. Of course, it will take time. Do you think I can do it? Would it be wise to put my stock in the hands of a trust company in Toronto and let them handle it for me?

We do not know what course the stock market will take in the next three or four months and we do not advise as to speculation. Our efforts are confined to giving information on securities, and we occasionally go so far as to recommend stocks which we believe to be thoroughly sound. The stock market in the long run will reflect the improvement in the position of a company, although conditions in the stock market itself at times may prevent a stock from reaching its proper price level.

Matter of Opinion

We would not advise placing your affairs in the hands of a trust company since common stock investments are such a matter of opinion that it is better that the individual handle these for himself or herself, acting on good information. We believe that readers of The Financial Post have good information.

Canadian Canners appears to be the principal industrial stock you hold. As you are looking for appreciation in fairly large amounts it follows that you cannot expect much appreciation in the first preferred stock of this company. In the circumstances it might be advisable for you to sell the first preferred stock and possibly thirty-five shares of the second preferred. We believe the second preferred to be a good stock and improving conditions in the company will cause the market value of the second preferred eventually to ascend somewhat.

Spread the Risk

A few days ago we had a conversation with one of the most successful common stock investors. He gave it as his opinion that the best and quickest way to make money was to buy the very best stocks. Our experience and observation causes us to agree with him on this point, and for this reason we can do no better than to recommend to you such stocks as City Dairy of Toronto, Montreal Power, Shawinigan Water and Power, Imperial Oil, International Petroleum, International Nickel and Massey-Harris. We think that if you spread your investment over three or four or five of these stocks that eventually you will have a fairly substantial appreciation of capital.

We strongly urge diversification of your investment.

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Please send me a list of securities for the reinvestment of my Northern Mexico Power funds.

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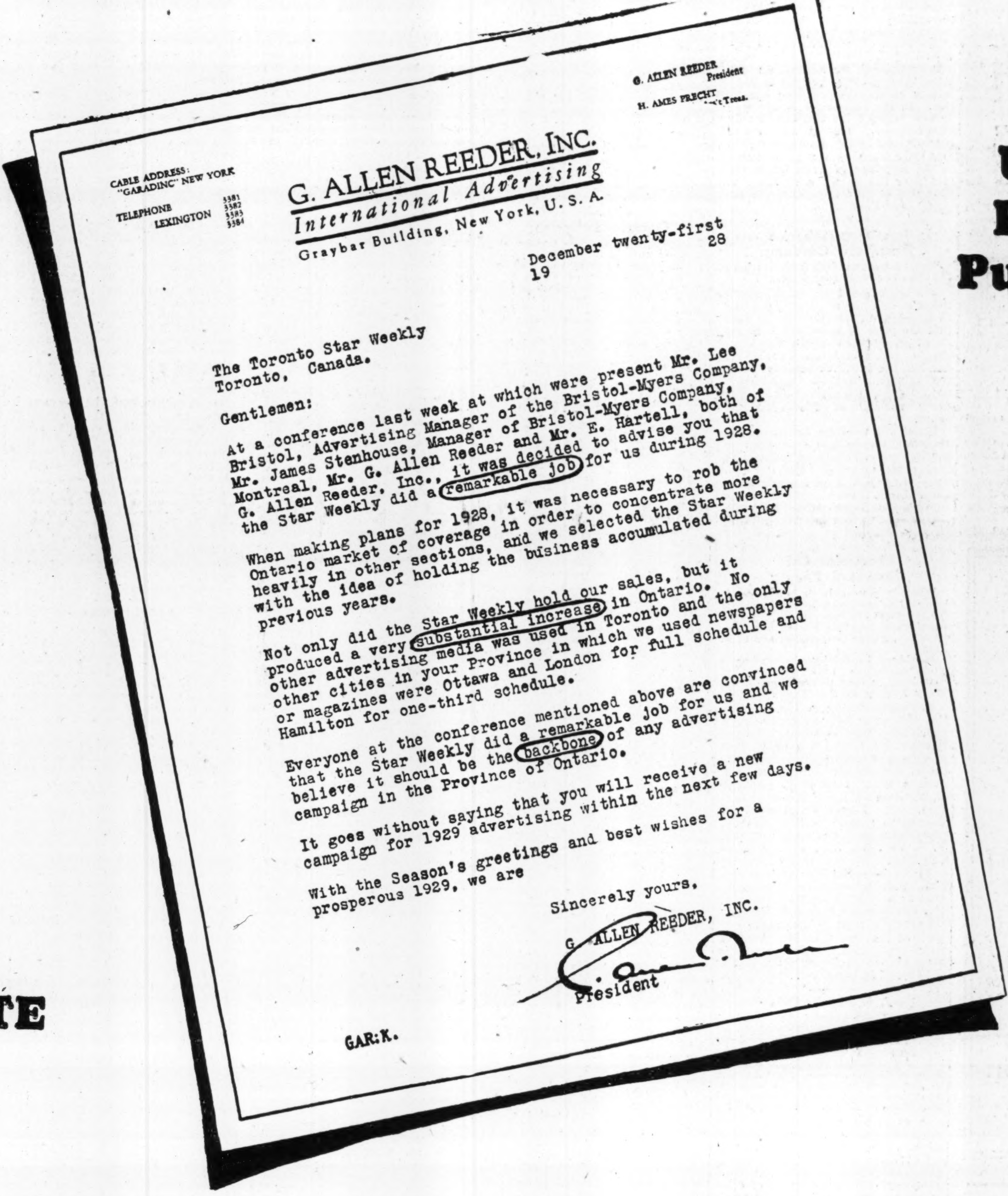

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G. ALLEN REEDER, INC.
International Advertising
Graybar Building, New York, U. S. A.

December twenty-first
19 28

The Toronto Star Weekly
Toronto, Canada.

Gentlemen:

At a conference last week at which were present Mr. Lee Bristol, Advertising Manager of the Bristol-Myers Company, Mr. James Stenhouse, Manager of Bristol-Myers Company, Montreal, Mr. G. Allen Reeder and Mr. E. Hartell, both of G. Allen Reeder, Inc., it was decided to advise you that the Star Weekly did a remarkable job for us during 1928.

When making plans for 1928, it was necessary to rob the Ontario market of coverage in order to concentrate more heavily in other sections, and we selected the Star Weekly with the idea of holding the business accumulated during previous years.

Not only did the Star Weekly hold our sales, but it produced a very substantial increase in Ontario. No other advertising media was used in Toronto and the only other cities in your Province in which we used newspapers or magazines were Ottawa and London for full schedule and Hamilton for one-third schedule.

Everyone at the conference mentioned above are convinced that the Star Weekly did a remarkable job for us and we believe it should be the backbone of any advertising campaign in the Province of Ontario.

It goes without saying that you will receive a new campaign for 1929 advertising within the next few days.

With the Season's greetings and best wishes for a prosperous 1929, we are

Sincerely yours,
G. ALLEN REEDER, INC.
President

GAR:K.

Unsolicited Proof of its Pulling Power

Did a Remarkable Job during 1928 in selling

IPANA TOOTH PASTE

THE STAR WEEKLY has the greatest circulation in the City of Toronto and in the Province of Ontario, separately or combined, of any publication of any kind.

Average Circulation in December
City, 122,154 — Province, 82,884 — Elsewhere 2,000

207,038

ADVERTISERS WHO WISH TO MAKE 1929 A PROSPEROUS YEAR SHOULD USE THE FIRST MEDIUM IN THE FIRST MARKET IN CANADA

U.S. Offices: New York, Chicago, Boston—CHAS. H. EDDY CO. Montreal Office: Canada Cement Building—J. B. RATHBONE

SOUTH'N. ALBERTA GAINS IN WEALTH; INCOME AT PEAK

Coal Mining, Livestock and Crops All on Good Basis

From Our Own Correspondent

LETHBRIDGE.—The story of another year of prosperity and progress for Lethbridge and Southern Alberta is told in the figures recently compiled showing the wealth production of the region. Grain marketed on the Lethbridge railway division has reached the record total of 51,000,000 bushels and several million bushels still remains in the hands of the farmers. Estimates of the value of 1928 production are summarized as follows:

Wheat	$45,000,000
Other grains	6,000,000
Sheep and wool	2,000,000
Cattle and hogs ...	6,500,000
Poultry	2,500,000
Dairy products ...	3,500,000
Potatoes, vegetables	1,500,000
Hay and feed	1,800,000
Honey	60,000
Coal, oil and gas .	12,000,000
Other manufacturers	1,500,000
Total	$82,860,000

Highest Except in War

The year established a new high mark for production outside of the war years, the wheat output being the biggest in the history of this heavy wheat growing region. While prices were off from 10 to 15 cents, and frost and hail made serious inroads on the crop north and west of the city, actual cash from the crop will exceed the amount received by the growers in 1927. Livestock showed a remarkable comeback, fat cattle at one point during the year fetching double what they were in 1927, with the result that revenue to the ranchers was up over a million dollars as compared with 1927. Range conditions in south and central Alberta are ideal and cattle are wintering the best in years. There is a marked shortage of cattle over the whole American continent and the Alberta beef industry is anticipating a series of prosperous years ahead.

The sheep industry continues to be marked by increases in the number of farm flocks on both dry and irrigated farms, and is an indication that a balance wheel is being added to straight wheat farming. This region is really the last big range sheep country in the Canadian west and range flocks are wintering well. Lambs are now being turned off from the feeding plants at around 85 to 95 pounds.

Evidence of Mixed Farming

Hog prices have remained firm at around 10 to 12 cents, a lot of local-grown hogs going to Seattle and Tocoma. Horses have been somewhat out of the picture with 1,000 tractors and 2,000 trucks sold in this territory in 1928 but prices for good heavy animals have remained firm and the surplus stock has been sent to Toronto and Montreal.

Dairying held its own during the year and sugar beets netted growers around $8 a ton with a production of 40,000 tons. The Raymond factory of the Canadian Sugar Factories Ltd. manufactured over 100,000 hundred-pound bags of granulated sugar and a usual amount of powdered sugar.

Build Model Industrial Town

Coal mining had a better year than usual, the mines working fairly steadily from about August first through the fall and winter, despite mild weather in November and December on the prairies. During the year the Mortimer Davis interests of Montreal, acquired valuable coal properties 12 miles from the city, and are now developing the properties and building a model industrial town known as Wallace. They have a six foot seam of excellent domestic coal and when the mine, already shipping, is brought up toward maximum production, it will employ in the neighborhood of 500 men. Local coal operators are preparing to make further shipments of coal to Ontario under the special $6.75 per ton rate, although they admit it means a fight to get a footing against the strong competition looming from the Pennsylvania anthracite field.

Debts Are Being Paid

Wholesale and retail trade was good, building active, the tourist influx increased, post office and customs figures were decidedly better while bank clearings went over the forty million mark. Motorized farm machinery including combines reflect the new trend in agriculture and also attest the general prosperity of the rural section. Automobiles, trucks, combines, tractors, etc., represent an investment during the year of well over $7,000,000 and 1929 should show another increase for the combine and tractor and truck are here to stay.

Of the general financial condition in this territory a Lethbridge banker said recently:

"The year 1928 should see a clearing up of all current indebtedness and a considerable liquidation of old debts, especially in areas where crops were not hit by hail and frost. Southeastern Alberta has shown a wonderful return to the limelight with another big crop. We have collected money this year that we never expected to collect, and loan and machinery companies tell the same story. Without doubt Southern Alberta was never in better fiscal condition. Speculative buying of land is now rare and there is a marked increase in the purchase of stocks and bonds. Savings are up substantially."

The T. Eaton Company is establishing a department store here, while the Metropolitan Stores will open in their own building in the spring. Piggly Wiggly has secured a location for their first grocery in this city.

ENGRAVERS AND PRINTERS

Bank Notes
Municipal Debentures
Bonds Cheques
Stock Certificates

CANADIAN BANK NOTE Company Limited
224 Wellington Street
OTTAWA

Branch Offices:
Montreal, 360 St. James St. W.
Toronto, 1604 Royal Bank Bldg.

Stock House Partner

KEITH A. HANDYSIDE, who has just been admitted into partnership in the brokerage firm of Mathewson, McLennan and Molson, members of the Montreal Stock Exchange and Montreal Curb Market.

CANADA DRY ALE PROFIT PER SHARE IS AT LEAST $6

Dominion Subsidiary's Gain For Year Is More Than 100 Per Cent.

Net earnings for 1928 are estimated at more than $3,050,000, or $6 a share on 508,689 shares of capital stock outstanding, against $2,334,181, or $5.07 a share on 459,706 shares of stock in 1927, and $1,736,298, or $3.58 a share on 450,694 shares in 1926. This estimate takes into consideration earnings of G. B. Seely's Son, Inc., for the last seven months of 1928 and earnings of Chelmsford Ginger Ale, Inc., for the last quarter of 1928.

Canadian Profit Doubles

Practically every subsidiary of Canada Dry contributed to increased earnings during the year just closed. The most gratifying increase in profits, however, was that established by the Canadian company, earnings of which in 1928 were more than 100 per cent. ahead of 1927. Profit of the Canadian company for the first eleven months of 1928 was $248,858, against $121,181 in the first eleven months of 1927, an increase of approximately 105 per cent.

Consolidated net sales for the year are estimated in excess of $11,000,000 compared with $9,603,972 in 1927, $8,400,389 in 1926 and $6,309,808 in 1925. This steady, consistent increase in sales during the past four years has been in the face of keen competition from other ginger ale producers and distributors.

Although each of the subsidiaries of Canada Dry retains its identity and continues under practically the same management as heretofore, its bottles bear a distinctive label, picturing a three-colored map of the particular territory served, with its name in large type across the label, and at the bottom of the label, in small type, the line "owned and operated by Canada Dry Ginger Ale Inc." This common label is expected to stimulate sales of the local beverages beyond their present fields.

EATON COMPANY NOW OPERATES 65 FOOD STORES

Number Is More Than Double That of Year Ago Says Trade Paper

T. Eaton Co., now operates 65 grocery stores or grocery departments in department stores, according to Canadian Grocer, compared with about 30 a year ago. Of the 65 now in operation, 26 are in Ontario, three in Quebec, sixteen in the Maritime provinces and sixteen in Western Canada.

About a year ago, T. Eaton Co., planned to establish a chain of groceterias in Toronto. For various reasons this expansion has been abandoned, or at least left in abeyance. Certain leases which had been acquired, are understood to have been sold.

There was a problem of personnel, which has not been solved satisfactorily in some of the smaller centres where this company operates groceterias in connection with mail-order offices. It is believed that the Eaton company abandoned the groceteria plans for Toronto when the personnel problem became acute, and because the A. & P. at the same time was establishing stores in that city.

To Open Store in Lethbridge

Besides the major building program at Yonge, College and Bay streets, Toronto, the Eaton company is expanding with department stores in a number of other places. The purchase of the Montcalm hotel, Quebec city, was announced a week ago. It is understood that a modern store is to be built on the site. In Lethbridge, Alta., a business block is being enlarged and remodelled for the Eaton company.

Mewburn Is Vice-President Now of Huron and Erie

Major-General Hon. S. C. Mewburn, ex-minister of Militia and Defence, has accepted the invitation of the directors of The Huron & Erie Mortgage Corporation to become its vice-president, a post recently made vacant through the death of the late A. H. Marshall Graydon, police magistrate of London.

Concurrently with General Mewburn's appointment comes the announcement of the election to the directorate of The Huron & Erie of Morley Aylsworth, general manager of that institution.

Higher Fish Catch

It is estimated that the value of the Nova Scotia fisheries for 1928 will exceed $11,000,000 which figure is about $500,000 above that of 1927.

SIXTIETH ANNUAL MEETING OF THE ROYAL BANK OF CANADA

"No Other Part of the World More Prosperous Than Canada"

Sir Herbert Holt, President, Makes Striking Comment on the Prosperity of the Dominion — Points Out Necessity for More Equitable Trade Relations Between the United States and Canada — Urges Greater Expansion in Export Market—Most Pressing Internal Problem of Country is the Need for More Population.

C. E. Neill, General Manager, Dealing with Growth of the Bank, States That the Total of Assets Constitutes a Record for Canadian Banking — New Head Office Building in Montreal Has Over 84 Per Cent. of Rental Area Already Taken—Points Out Necessity for Wise Governmental and Industrial Leadership to Ensure Continuance of Present Prosperity.

The Sixtieth Annual General Meeting of the Shareholders was held at the Head Office of the Bank in Montreal.

Mr. S. D. Boak acted as Secretary of the Meeting and Messrs. W. Beverley Robinson and H. Carson Flood as Scrutineers.

The Directors' Report was read by the General Manager, Mr. C. E. Neill:

DIRECTORS' REPORT

The Directors have pleasure in submitting to the shareholders their Fifty-ninth Annual Report of the Bank for the year ended 30th November, 1928, accompanied by the Statement of Assets and Liabilities and Statements of Controlled Companies.

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 30th November, 1927	$1,809,831.87	
Profits for the year, after deducting charges of management, accrued interest on deposits, full provision for all bad and doubtful debts and rebate of interest on unmatured bills...	5,881,253.84	
		$7,691,085.71
Appropriated as follows:		
Dividends Nos. 162, 163, 164 and 165 at 12% per annum	$3,600,000.00	
Bonus of 2% to Shareholders	600,000.00	
Contribution to Officers' Pension Fund	200,000.00	
Appropriation for Bank Premises	400,000.00	
Reserve for Dominion Government Taxes, including Tax on Bank Note Circulation	530,000.00	
Balance of Profit and Loss carried forward...	2,361,085.71	
		$7,691,085.71

The assets of the Bank have been, as usual, carefully revalued, and provision made for all bad or doubtful debts.

During the year twenty-three branches were opened and fourteen were closed.

The Head Office and branches of the Bank have been inspected as usual during the year.

Because of the growth of the Bank's business, it was deemed advisable to issue 50,000 shares, of the par value of $100 each, of the unissued authorized capital stock. This stock was accordingly issued and allotted to shareholders on the 28th November, 1928, at $200 per share.

Messrs. Julian C. Smith and Archibald Fraser were appointed members of the Board on the 11th December, 1928.

Your Directors desire to express their appreciation of the efficient manner in which the officers of the Bank continue to perform their respective duties.

All of which is respectfully submitted.

H. S. HOLT, *President.*

PRESIDENT'S ADDRESS.

Sir Herbert S. Holt, Chairman, in moving the adoption of the Directors' report, said:—

Widespread prosperity has been accompanied by a corresponding improvement in the position and profits of the commercial, industrial and financial institutions of Canada. The Fifty-ninth Annual Report and Balance Sheet, which is presented to you today, discloses a most satisfactory position. The statement which will be dealt with in detail by the General Manager shows that The Royal Bank of Canada has participated to the full in the benefits of Canadian prosperity.

The growth of agricultural, mineral and industrial production has been reflected in growing assets. In accordance with the conservative policy of the bank in maintaining a suitable ratio of capital and surplus to deposits, your Directors have deemed it advisable to increase the paid-up capital of the bank by $5,000,000. This additional capital stock has been allotted pro rata to the shareholders of record on the 28th of November last, for subscription at the price of $200 per share. In accordance with custom, the premium realized in respect of this issue will be credited to the Reserve Fund. When payments are completed, the paid-up capital of the bank will be $35,000,000, with a Reserve Fund of an equal amount and substantial undivided profits.

FOREIGN SITUATION.

While the world has been engaged in making good the losses occasioned by the war, an unusual proportion of capital and labour was required for the construction of buildings, manufacturing plants, roads and railroads, and the replacement of inefficient machinery. During this period, there was an extraordinary growth in the demand for Canadian products: in 1922, the total value of Canadian exports amounted to 740 million dollars, and by 1926 this had increased to 1,315 million dollars, or an increase of 78%. The most encouraging feature of the present situation is that the completion of the major programme of reconstruction brought only a slight decrease in the demand for Canadian products. Exports in the fiscal year of 1928 were only 6½% below those of the record year of 1926, and the last few months have witnessed the development of a new upward trend in foreign sales.

The recovery in Great Britain during the past two years has not been as pronounced as we had hoped. Large debts, high taxes and unemployment are complex problems. There has been substantial progress toward amalgamation in a number of industries. Intelligent unified control offers effective means toward increasing industrial efficiency. The constructive attitude with which industrialists, financiers, labour and government are striving to co-operates constitutes the best basis for encouragement. Though recovery may be slow, no one who has a thorough knowledge of British character doubts the ultimate outcome. In the future, as in the past, Great Britain will maintain a foremost position in world manufacturing and finance.

The spirit of compromise which has permitted Germany and France to consummate a mutually beneficial trade agreement constitutes an example worthy of emulation in other parts of the world. All important European countries have now achieved a stabilized currency and budget equilibrium. South America is making rapid progress financially, industrially and agriculturally, and improvement in transportation facilities is going ahead on an important scale. From a commercial viewpoint, Asia and Africa are experiencing a great awakening. It is my belief that the world stands upon the verge of a period of prosperity similar to that which is now being experienced in North America, and that the volume of our international trade will soon rise to new and unprecedented levels.

NATIONAL POLICY

Within the year we have been hearing much concerning the status of Canada as a nation in a family of nations. If this status means that our Ambassadors and Trade Commissioners are to assist in initiating a truly vigorous national policy in furthering our trade and business interests in foreign countries, and if this nationalism implies that, as an integral part of the British Empire, we are to shoulder our fair share of responsibility to the rest of the world in a spirit of good will and co-operation, then, I am indeed nationalistic.

The outstanding question of our national economic policy is the trade relationship between Canada and the United States. No country imports more goods from a single market than Canada imports from that country. The value of these imports during the twelve months ending September 30, 1928, aggregated 790 million dollars, a total more than 300 million dollars in excess of Canadian sales to that market during the same period. Such an unbalanced trade relationship is injurious to the national welfare of this country.

There is another factor in this trade relationship that is as unsatisfactory as its lack of balance. Canadian exports are largely newsprint and raw materials, essential to the industries of the United States, and Canada's imports are manufactured products which increase the activities of the factories of that country at the expense of factories in Canada and at the expense of factories in other countries which are more willing to import Canadian agricultural and other products. Moreover, the high wages since the war have disproportionately increased the cost of finished manufactured products in comparison with the relatively low prices obtained for raw materials and other items not requiring much skilled labour for their manufacture. This price relationship is distinctly disadvantageous to the country which buys finished products and sells raw materials.

Fifty years ago, prosperity in Canada was largely dependent upon access to the markets of the United States. During the intervening years, Canada suffered substantially by changes in tariffs which adversely affected established trade between the two countries. In many instances, depressions have been caused or prolonged by measures which closed the United States market to many Canadian products, but had little or no effect upon the price of those commodities in that market. Now, a large proportion of Canadian productive activity is on a sufficiently low cost basis so that Canada is no longer so dependent upon the tariff policy of a single foreign nation. This increased economic efficiency should give Canada great bargaining power in her dealings with other nations.

In spite of the fact that the present trade relationship between the two countries is disproportionately favourable to the United States, there is active discussion of further tariff increases that seem likely to shut out the few competitive items which Canadians now sell there. It would seem that those who propose such tariff changes fail to realize that checks upon Canadian prosperity automatically check the volume of goods which can be bought from the United States, and that on the other hand continued improvement in Canadian conditions brings corresponding increases in the volume of goods which they can sell us. From this viewpoint it might be considered economic statesmanship for the United States to discover means to increase their purchases from Canada, rather than to consider measures which will constitute new trade barriers.

Moreover, it is not feasible for a country to sever completely foreign policy from tariff policy. Official observers from the United States at the World Economic Conference at Geneva, and influential representatives of the United States Chamber of Commerce at the meeting of the International Chamber of Commerce at Stockholm, expressed disapproval of such measures as would be likely to hinder the flow of international trade. With other nations looking to the United States for assistance in reconstructing the world's economic organization, the proposed tariff increases would constitute a severe blow at international economic co-operation and good will.

If further handicaps are based upon the exports of Canada to the United States, it will be imperative for Canadians to seek more favourable trade agreements with other nations and to change the present relationship by the application of measures for their own protection. As a last resort, it may be necessary to meet this situation by direct tariff increases and by granting further preference to Great Britain and to most-favoured-nations. This is not a statement in favour of exorbitant tariffs. I am not suggesting tariffs which will increase the cost of living in Canada, but rather such measures as will permit the continued growth of Canadian production and stimulate trade relationships with those countries who are willing to buy agricultural and other products from this country on terms which will permit the maintenance of a reasonable and stable prosperity.

In this connection, I again desire to call your attention to the possibility of increased trade with the Orient. The stabilization of government in China is producing a situation which justifies optimism concerning the possibility of increased trade throughout that part of the world. The great need of China is for continued stability and increased buying power. If our Trade Commissioners in that part of the world are far-sighted, they will be just as earnest in seeking opportunities for Canadians to purchase goods from the Orient as they are to assist in sales. It is essential that Canadians realize the growing importance of the Pacific in world trade.

CANADIAN BUSINESS CONDITIONS

The basis of the exceptional prosperity during the past few years has been the great development of natural resources. New areas have been opened up for cultivation; great mining fields have been discovered; forest resources have been more effectively utilized, and the large scale installation of plants for the development of water power has resulted in an increase in manufacturing activity in most parts of the country. In the newsprint industry, however, there has been unjustified expansion, resulting in over-production and a consequent decline in price, entailing a loss to the industry of at least $20,000,000 a year. It is imperative that measures be taken to remedy this situation so as to bring a fair profit to the industry and to permit adequate conservation and maintenance of the forests. Labour has been well employed at high wages, and the buying power of labour and agriculture has been sufficient to produce a steadily improving volume of trade.

The most pressing internal problem of the country is the need for more population. If the present good times are to continue, there is need for more farmers on the soil and more men in the mines and factories in order that we shall consume a larger proportion of our own products. Without a substantial increase in immigration, we cannot hope to maintain that balance in expansion which is essential to sound prosperity. I believe, however, that at the moment it is no exaggeration to summarize the general situation by saying that there is no other part of the world more prosperous than Canada.

GENERAL MANAGER'S ADDRESS.

The General Manager, Mr. C. E. Neill, said:—

The Balance Sheet for the year ending November 30th, 1928, shows continued growth in the business of the Bank, the total of our assets being a record for Canadian banking. Comparison with the figures of the previous year does not correctly indicate the real advance that has been made. The total assets increased $14,731,981.26, although deposits show a decrease of $15,169,245.09, due to the fact that the Statement for November 30th, 1927, as I stated at our last Annual Meeting, included several large temporary deposits, while this year there no such special deposits. More accurate evidence of the growth of the bank is found in the fact that the average of total assets at the end of each month during the past year was more than $100,000,000 greater than the average for the corresponding months in the previous year. Our Commercial Loans in Canada are $66,778,612 higher, while our Commercial Loans abroad show a decline of $7,989,440.45. Call Loans abroad were reduced by $54,302,824.93, while Call Loans in Canada were increased by $2,926,539.88.

The cash position of the bank has been well maintained; the percentage of Cash and Bank Balances to Liabilities to the public is higher than last year. The percentage of other liquid assets is slightly lower because of the increased demand for funds for commercial purposes.

Profits for the year reached the record figures of $5,881,253.84. The usual dividends and bonuses have been paid to shareholders, and the customary appropriation has been made for Bank Premises. Because of the growing demands upon our Pension Fund, the annual contribution has been increased from $100,000 to $200,000. Provision is made for Dominion Government Taxes and the sum of $2,361,085.71 is carried forward in Profit and Loss Account.

While increased profits may, to a considerable extent, be attributed to the growth of our business, it is satisfactory to note that because of more efficient methods the number of our staff has not grown in proportion to our business. The average of the total assets at the end of each month for the past year was greater by more than 12.9% than the same average for the previous year. The resulting increase in business was handled with only an average increase of three-quarters of one per cent in the number of the staff. The Budget system introduced in connection with branch charges has proved an important factor in increasing net profits.

The Balance Sheets of the Globe Realty Corporation and the Canadian Realty Corporation are before you. The bank holds the entire capital stock of these companies, which own a number of buildings occupied by the bank. Through the operation of sinking funds, the bank's equity in these companies has been increased by $402,818.97.

Our new Head Office building was completed in accordance with our plans, and all Head Office departments and Montreal Branch were moved the first week in May. In every respect the building has come up to our expectations and there has been a marked increase in the efficiency with which the bank business is handled. Over eighty-four per cent. of the rentable area is now taken, and it is expected that the building will be practically filled by May 1st. It is satisfactory to be able to report that new Savings Accounts opened at Montreal Branch during the first eight months of occupation have shown an increase of more than 50% in number over those opened during the corresponding months of the previous year, in the old office. This in itself is an indication that the expenditure on the new building was justified.

Since the last Annual Meeting, our new office in the Sun Life Assurance Company building in the West End of London has been opened and has proved a great convenience to clients and friends of the bank visiting the Old Country.

Our building No. 3, Rue Scribe, Paris, is being remodelled and we expect to move into it at the end of this year.

As the bank's premises in Vancouver are no longer suitable, nor large enough for our growing business, it is the intention to start without delay the construction of a new building on the corner of Hastings and Granville Streets, on a property acquired some years ago.

Last year, The Royal Bank of Canada established an annual Economics Fellowship for the student of any Canadian university who should prepare the best three-thousand-word paper covering any one of four important Canadian economic problems.

It was a great pleasure to us that the Right Honourable W. L. Mackenzie King, the Prime Minister; Dr. Adam Shortt, a member of the Consultive Economic Committee of the League of Nations, and Dr. Oscar D. Skelton, then Under Secretary of State for External Affairs, acted as judges for the first competition.

There was widespread interest in this competition among the students of Canadian universities and a large number of papers were submitted. The Fellowship was awarded to Dermot A. Davies, a student of the University of British Columbia, and this student is now pursuing a post-graduate course in Economics at McGill University. A book containing seven of the best papers was published by the Bank and the demand for these books was so great that the edition was soon exhausted. It is understood that the number of students who will submit papers before March 1, 1929, for this year's competition is substantially in excess of the number who participated last year.

NATIONAL EXPANSION PRONOUNCED

New capital is continually required to develop the latent resources of our country. During the past two or three years many existing industries have been reorganized to meet the requirements of expanding business. Mergers have been effected to ensure production on the most efficient basis and many new industries have been started. Through a number of different Investment Bankers who are our customers, we have had the opportunity to assist in such financing, with the result that numerous new and valuable connections have been secured for the bank. I am glad to be able to report that in every such case credits granted have been liquidated to our satisfaction, and despite the number of new issues that have been made, we are carrying no undigested securities.

To our farmers, the large crops of the past four years, and particularly the record crop of 1928, have brought substantial prosperity. A pronounced shortage of cattle is being felt in the United States and there has been a movement to purchase cattle in Canada. With the present strength in the price of livestock it would seem wiser for the farmer to increase rather than decrease, his holdings of beef and dairy stock. In the past, the bank has frequently called attention to the stabilizing influence of diversification upon farm income, and the present trend of farm prices makes this a particularly good time to increase the proportion of farm revenue derived from livestock.

For several years there has been an extraordinary expansion in Canadian mining. New mineral resources have been discovered in various parts of the country, but while the mineral statistics of 1927 and 1928 show gratifying improvement over previous years, they do not reflect the potential output of the new areas which soon will be in production. We may look forward with confidence to the most important mining era in the history of the country. In this connection I would call your attention to the fact that the bank has recognized the possibilities of this situation and that new branches have been opened from time to time at the most important mining centres.

Almost all indices of Canadian production have shown a spectacular rise during the past four years. This is particularly true of those which are related to manufacturing. The amount of electric energy generated daily in 1928 is double the amount in 1924 and this in itself is a valuable index of manufacturing activity. The accessibility of vast water powers constitutes an outstanding advantage to manufacturing in Canada.

In no phase of Canadian industry has the favourable change been more marked than in building. The total volume of building contracts awarded in Canada during the first eleven months of 1928 amounted to 453 million dollars as compared with 247 million dollars in the corresponding months of 1924.

The increase in business building amounted to 130%, that for industrial building to 300%, and that for engineering, including such items as bridges, wharves, roads and streets, from a value of 5 million dollars in 1924 to 90 million dollars in 1928, while the value of residential building has increased only 56%. The present building programme of the country is the outgrowth of business and industrial needs.

So far, commerce and industry have their feet on the ground and, speaking generally, the publicly-owned corporations have never been in a more sound or liquid position. With prosperity general, and prospects never before equalled in our history, consideration should be given to measures that will tend to ensure the continuation of the sound development of Canada. Although it has long been recognized that the exercise of due restraint during a period of rapid expansion would permit continued growth uninterrupted by severe recessions, there has always been the temptation to over-discount the future in periods of prosperity.

Sound judgment will recognize that Canada is now in that phase of business when the setting up of strong reserves is more far-sighted than a policy which permits expansion to be carried to a point where over-production in industry becomes inevitable.

Within the past few years there has been a good deal of discussion in economic circles regarding the problem of stabilizing business by reducing excesses of prosperity and depression. In the United States, a distinct contribution towards this end has been made by the efforts of the Federal Reserve System to stabilize the general price level. A further step towards the maintenance of an even rate of development is now under discussion. With the approval of the President-Elect it has been suggested that the National Government co-operate with the State governments in setting aside a large fund for the construction of roads and other public works whenever the business barometer points towards depression. It is hoped that, by this means, serious recession, with attendant ills, may be averted.

Whatever may be the result of this proposal, it contains the germ of an idea which our Government and leaders of industry would do well to keep in mind.

Government departments, such as the Dominion Bureau of Statistics, are rendering valuable service in distributing prompt and reliable information as to trade conditions. Group organizations in individual industries can assist by encouraging a sane development which takes proper account of future prospects. Corporations and individuals can contribute to a balanced prosperity by placing a reasonable curb upon undue enthusiasm which might result in over-extension.

Undoubtedly speculation in stocks has been carried too far and it is the duty of the entire financial community to do everything possible to prevent further speculative excesses which, if not curbed, must inevitably lead to trouble.

Research may discover scientific facts for the use of agriculture and industry, but such knowledge only becomes effective when applied by the farmer and the business man. In this day of large scale enterprise, those who have the responsibility of directing the policies of our government and of our great corporations should endeavour to apply principles derived from scientific study to the solution of practical difficulties. This is no less true in finance than in industry and agriculture. Although restraint and caution are essential to prevent inflation, a policy of continuous and sound expansion is justified by the Canadian situation. A virile policy, continuously stimulated by the visions of courageous foresight, but held in check by the dictates of sound judgment, will guide the course of this expansion so that stable prosperity will become a permanent phase of Canadian economic life.

The public has the right to expect this type of foresight from industrial leaders. When this responsibility is fully recognized, Canadians may look upon the future with courage and confidence. Under wise guidance there can be no doubt concerning the wonderful prospects that the future holds in store for Canada.

VOTES OF THANKS

A vote of thanks was passed to the President, Vice-Presidents and Directors, to which Sir Herbert Holt replied.

A vote of thanks was passed also to the General Manager and Staff, to which Mr. C. E. Neill, the General Manager, and Mr. M. W. Wilson, the senior Assistant General Manager, replied.

Mr. Wilson said as follows:

The General Manager, by his generous remarks, has added greatly to the pleasure with which this resolution will be received by the staff.

If it were possible for all our staff—now numbering 8,700—to be here to-day, I am sure you would realize the pride which they personally take in the excellent financial statements that have just been submitted to you. These statements reflect the result of a very busy year's work, and, although the exceptional business activity that has prevailed increased the duties and responsibilties of many of our officers, these duties, I can assure you, have been discharged in a most cheerful and efficient manner. The continued loyalty and devotion of the staff to the interests of the bank are beyond praise. They will deeply appreciate your words of commendation to-day and, on their behalf, I thank you.

AUDITORS

Mr. James G. Ross, C.A., and Mr. W. Garth Thomson, C.A., were appointed Auditors for the ensuing year.

BOARD OF DIRECTORS

The following were elected Directors for the ensuing year: Sir Herbert S. Holt, E. L. Pease, C. E. Neill, D. K. Elliott, Hugh Paton, A. J. Brown, K.C., W. J. Sheppard, C. S. Wilcox, A. E. Dyment, G. H. Duggan, C. C. Blackadar, John T. Ross, W. H. McWilliams, Capt. Wm. Robinson, A. McTavish Campbell, Robert Adair, Hon. William A. Black, M.P., C. B. McNaught, G. MacGregor Mitchell, R. T. Riley, Stephen Haas, John H. Price, W. H. Malkin, Julian C. Smith, Archibald Fraser.

At a subsequent meeting of the Board of Directors, Sir Herbert Holt was re-elected President, and Mr. E. L. Pease and Mr. C. E. Neill, Vice-Presidents, for the ensuing year.

North-Central Bond Corporation, Limited
Regina — McCallum Hill Bldg. — Sask.
5½% Investment Bonds
5½% Children's Educational Bonds
Let us explain our plan: How to employ small sums (17 cents per day or more) to provide a competence for the future or for the children's college education.

— INVESTMENTS —
GALLOWAY, CLEARY & COMPANY
STOCKS BONDS RENTALS INSURANCE
Members Winnipeg Grain Exchange; Calgary Stock Exchange
Direct private wires to New York, Chicago, Toronto, Winnipeg, Montreal
WESTMAN CHAMBERS (Ground Floor) - - - - - - REGINA

Lougheed & Taylor, Limited
Calgary, Canada
Bond, Insurance, Estates, Farm Lands, Appraisals
We are well informed on the oil situation

Atlantic Sugar Refineries LIMITED
General Offices
211 McGILL STREET
MONTREAL
Refineries - St. John, N.B.

Insurance for Buyer and Seller

MOTOR INSURANCE RATES INCREASED THROUGH CANADA

Increasing Accident Frequency Causes Loss To Companies

INCREASES UP TO 50%

Rates Will Be Higher in Far West and Maritimes Than in Ontario and Quebec

An increase throughout Canada in automobile insurance rates, was unanimously adopted by 88 companies operating in this field at the general meeting of the Canadian Automobile Underwriters' Association, held in Toronto early in January.

Effective on February 1, it is expected that the new rates in Ontario and Quebec, when applied over all lines of automobile coverage and all territories, will average an approximate increase of 25 per cent. made up as follows:

Fire and theft .... No increase
Collision .... 25% increase
Public liability and
property damage 50% increase

It is understood that rates in the Maritimes and in the far West will be higher than those in Central Canada. When interviewed by The Financial Post, several prominent insurance men stated that the rapidly mounting accident frequency justified an even greater increase in rates amounting to 50 per cent. in collision and 100 per cent. in public liability and property damage.

Data supplied by the companies to the actuaries and statisticians of the Rates and Statistics Committee of the association clearly indicate, it is said, the necessity for the increases that will be put into effect, and also additional increases which, however, will be deferred in the hope that with public realization of the increasing number of automobile accidents, the frequency rate of accidents will be curbed.

Rate on Light Cars

On the average light car there will be an increase in premium of $9.90 over that paid in 1928 on a policy ($50. deductible) and fire and theft. On such a policy in 1928 the premium was $35.20 and following the rate increase in 1929, the premium will be $45.10. The new Rating Manual, in course of preparation, will give the figures on other classes of cars which are not available at present. There will be no limitation in the broad cover granted by the present standard policy form.

Reasons for Increase

The highly competitive conditions obtaining in the automobile insurance market in the past few years, brought down the premium level in Canada far below the loss cost, e.g., the public liability section of the business in Ontario on the losses incurred during 1927 should have carried an average premium $16.77, whereas the actual average premium charged by the associated offices in 1928 was $11. In Quebec, the 1927 experience showed the necessity for an average premium of $22.47 whereas the average premium charged by the offices was $13.22. As a further illustration of the extreme inadequacy of the premiums charged over the past few years, it may be cited that a McLaughlin-Buick car in 1923 carried a premium for public liability and property damage of $40. In 1928 for the same cover, the premium was $24 and in 1929 it will be $35, so that notwithstanding the admittedly great increase in the accident frequency and correspondingly higher losses, the premium now to be charged will still be $5 less than it was six years ago.

A definite and steady upward trend in the loss experience each year has taken place largely due to the following causes:

(a) Traffic congestion — Ontario highway census for October 27, 1928, shows 27 per cent. increase over the same period for 1926.

(b) Improved mechanism of automobiles resulting in guaranteed maximum speeds hitherto unknown, tending to increase the confidence of the driver while the pedestrian public has not yet had time to become accustomed to these rapidly changing conditions.

(c) Steadily increasing scale in the amounts of damage awards made in the courts.

(d) Present day "claim consciousness" of the public resulting in claims being made on motorists in respect of accidents regarding which no demand would have been made in the past.

(e) Increase in the operation of cars under winter conditions. The old premiums were computed on experience at a time when the highways were very little used by motorists during the winter months.

These and other factors may be advanced as reasons for the increased accident hazard. In support of this statement the following figures recording the number of deaths on the continent of North America from automobile accidents are startling: 1911—2.043 deaths; 1927 — 26,665 deaths; The increased frequency of accidents is not confined to the large cities, but owing to the many highways which are being opened up throughout the country, drivers living in rural districts are becoming more and more subjected to risks which formerly were confined to drivers of cars in the cities. The signal success which has attended the efforts to develop Canada's profitable tourist traffic is another factor which is increasing the automobile hazard on the main routes.

Insurance Inklings

RALPH H. LEROY has been appointed head of the estates and taxation department of the Aetna Life, at Winnipeg. Mr. LeRoy has been with the Aetna for the past 12 years and is one of the Aetna Life Millionaire producers.

At the January luncheon of the WINNIPEG LIFE UNDERWRITERS' ASSOCIATION, E. H. BENNEST gave an address on the subject of "Personal Incorporation and Multiple Taxation."

The LIFE UNDERWRITERS' ASSOCIATION OF MONCTON, N. B., has elected the following officers for 1929: President, G. E. DAWES; vice-president, J. A. PINCOCK; secretary-treasurer, J. R. O'CONNELL; executive committee, R. C. MACDONALD, A. R. FRASER and F. W. PINCOCK.

The Nova Scotia Life Uunderwriters' Association has elected the following officers: President, H. GORDON BOWES, Canada Life; vice-president, HON. O. P. GOUCHER, Manufacturers Life; secretary-treasurer, H. R. HILL, Imperial Life; executive committee: W. P. MOORE, Confederation Life; N. C. RALSTON, Sun Life; G. R. SMITH, Great West Life; F. S. HUNTLEY, Maritime Life, and A. R. RETTIE, Imperial Life.

ROBERT I. CLANCY was honored in Winnipeg recently by insurance men upon the occasion of his departure from the city to assume his new duties as Canadian superintendent of the Aetna Life.

J. BEVERLEY ROBINSON and DUNCAN S. ROBINSON again headed the agents of the Canada Life in business written during 1928. For the past four years they have been jointly responsible for over $2,000,000 of business per annum and during 1928 placed more than $2,800,000 of insurance on the books of the company.

ALLAN J. MEIKLEJOHN who was formerly connected with the Confederation Life Association for 20 years, has taken over the position of general manager of the Odd Fellows' Relief Association.

MAJOR W. F. M. WINDEYER, Toronto, has been appointed a director of the Pilot Automobile and Accident Insurance Co., of Waterloo, Ont. Mr. Windeyer is president of the insurance brokerage firm of Windeyer and Donaldson, Limited.

J. S. THOMSON has been appointed to succeed O. P. SHORTLY as branch manager of the Toronto agency of the North American Life. Before joining the North American Mr. Thomson was assistant manager at Toronto for the Travellers Life.

The Great West Life Managers' Association met at Ottawa on January 8 and executives from Canada, the states of Michigan, Minnesota, Illinois and North Dakota were in attendance.

A. L. McMURTRY, Confederation Life district representative for Haldimand County and Dunnville, Ont., has been appointed special representative of the company for Western Ontario with headquarters at the home office in Toronto.

Canadian managers for the TRAVELERS INSURANCE COMPANY have returned from a four-day conference held at the home office of the three Travellers Companies in Hartford, Connecticut. Canada was well represented with managers from seven cities in five different provinces attending.

ROBERT C. HAMILTON, veteran insurance agent of Hamilton, Ont., died in Hamilton recently at the age of 86 years.

The Excelsior Life Banner, issued monthly for the field force of the EXCELSIOR LIFE Insurance Company, has been changed from a four page "newspaper" to a sixteen page magazine. New features that appear in the first number are "The Idea Page" and 'Talks for Our Field Men."

JOS. KILGOUR, for many years branch manager of the Excelsior Life for North Alberta, has relinquished the strenuous duties of active managership, but will continue to write business for the company in Edmonton and vicinity.

E. H. MOLSTAD, inspector for North Alberta for the Excelsior Life, has been appointed branch manager for the district to succeed Jos. Kilgour.

CONFEDERATION NEW INSURANCE RISE $6,000,000

Shareholders Authorize Purchase of Security Life Company

Shareholders of Confederation Life this week ratified the purchase of the Security Life Insurance Company. Administration of the business of the Security Life by the Confederation Life, it was stated, had started already and the only other step required to consummate the arrangement was to secure the sanction of the treasury branch, at Ottawa.

Price paid was $181,000, which was about $22 per share.

At the previous meeting of Security Life shareholders, the deal was ratified by that group. At this meeting it was explained that the company enjoyed a good share of life insurance business, but last year was faced with an 82 per cent. death rate against the average of 44 per cent. Added to this, under the previous management, there was a large block of mortgages on city property overlapping the western boundary.

These will have to be carried for a long time, and in order to make the investment secure for the shareholders, the company was compelled to advanve another $25,000, under direction of the Department of Insurance. The complications resulting from these two matters, augmented by faulty registrations, brought about a condition under which the sale was proposed.

At the Confederation Life meeting, it was explained that by the deal, the Confederation Life obtains approximately $10,000,000 of additional insurance business. A very large part of the business of the Security Life was done in the Province of Quebec, though it also had some good agencies in Ontario. The Confederation Life is taking over and retaining practically all the office staff of the Security Life; some of the personnel being merged with the Confederation Life staff at the head offices in Toronto. It was stated that the policyholders of the Security Life had expressed themselves as perfectly satisfied with the new arrangement.

Confederation Life reported $57,273,653 of new insurance. The best previous year had been 1927, but 1928 beat the 1927 record by $6,401,358. Total insurance in force at the end of the year was $291,724,524.

Peleg Howland, president, stated that during the year the company had made a call of 10 per cent. on the shareholders, 5 per cent. as of the end of the year, and 5 per cent. as of March 31 next. These were being paid up out of special dividends from non-par profits. This will increase capital paid up from $100,000 to $200,000.

Principal items in the report with comparative figures, may be summarized as follows;

	1928	1927
Income—		
Premium income ..	$12,685,420	$11,482,977
Interest, etc. income	3,305,219	2,913,781
Total cash income .	$15,990,639	$14,396,758
Business—		
New insurance	$57,273,653	$50,872,295
Total in force	291,724,524	258,466,184
Assets, etc.—		
Total assets	$64,869,836	$57,133,487
Policy reserves	55,104,378	49,115,680
Year's surplus	2,454,366	2,026,720

Compulsory Auto Insurance

The government of New Zealand is introducing compulsory auto insurance against claims for accidental injury or death. A feature of the policy is that it will provide protection against the unlawful conversion of a car to his own use by an unauthorized person. In the case of change of ownership the insurance will be still effective providing notice has been given the insurance company. The premium rates have not yet been set. The government and the insurance companies are conferring on this matter and the rates will probably be fixed by government regulation.

The quality of the 1928 Annapolis Valley apple crop has surpassed all expectations, and price returns from the English markets have been fairly good, netting growers as high as $6 per barrel. The estimated 1928 shipping crop is now placed at 938,000 barrels—350,000 of which were on hand in warehouses along the Dominion Atlantic Railway route as on January 1st, for later shipment.

"The Most Popular Company In the Country"

This letter was received from a Sun Life policyholder in Newfoundland:

"I am in receipt of a cheque from the Sun Life Assurance Company of Canada, being the first instalment of benefits arising from the Total Disability clause contained in my Policy No. 709447.

"I want to express my sincere thanks to the Company for its fair treatment and also to Mr........., the local agent, for his kindness and attention in the matter. His kindness to and interest in his policy-holders are no doubt typical of the Company he represents, and it is this, more than anything else, that has made 'the Sun' the most popular insurance company doing business in the country."

SUN LIFE ASSURANCE COMPANY
OF CANADA
Head Office: Montreal

Charles E. Otton, Ltd.
1818 Scarth Street,
Regina, Sask.
General Agents, Fire, Automobile, Hail Insurance.
Applications for Agencies invited.

The Mutual Life Assurance Co. of Canada
WATERLOO - - ONTARIO

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London.
R. O. McCulloch, 1st Vice-President
Galt.
J. Kerr Fisken, 2nd Vice-President
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Major-General
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Louis La Course Lang, Kitchener.
Glyn Osler, K.C., Toronto.
T. A. Russell, Toronto.
Hon. J. Fred Fraser, Halifax.
Isaac Pitblado, K.C., LLD., Winnipeg.
W. J. Blake Wilson, Vancouver.
E. G. Long, K.C., Toronto.

Officers
W. H. Somerville, A.I.A.,
General Manager.
H. M. Cook, A.I.A., F.A.S.,
Secretary.
A. E. Pequegnat, A.I.A., F.A.S.,
Comptroller.
J. M. Laing, A.I.A., F.A.S.,
Actuary.
J. F. Honsberger, M.D., and
J. M. Livingston, M.D.,
Medical Directors.
R. L. Shields, M.D.,
Assist. Medical Director.
Wilfrid M. Carlisle,
Supt. of Agencies.
Sims, Bray, McIntosh & Schofield,
Solicitors.
S-102

The
CANADA NATIONAL FIRE
INSURANCE COMPANY
Head Office - Winnipeg, Man.
E. F. Hutchings, President
Henry Sandison, 1st Vice-President and Managing Director.
T. S. McPherson, 2nd Vice-President.
Applications for Agencies Invited

S. H. HENDERSON, President — C. M. VANSTONE, Managing Director — E. L. McDONALD, Treasurer
Registered with Department of Insurance, Ottawa
Operating in Manitoba, Saskatchewan, Alberta, and British Columbia
THE WAWANESA MUTUAL INSURANCE CO.
Canada's Largest Fire Mutua.
FIRE LIGHTNING WINDSTORM
Insurance in force over $150,000,000.00 Assets over $ 2,500,000.00
We are now accepting business in Cities and Towns.
Write us for your requirements.
THE WAWANESA MUTUAL INSURANCE CO.,
Wawanesa, Man.

THE MONARCH LIFE
A Progressive Canadian Company
Provincial Offices
Toronto, Montreal, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria, St. John, Halifax.

PRUDENTIAL
ASSURANCE COMPANY LIMITED, of LONDON, ENGLAND
Assets Exceed $1,000,000,000
Licensed for Fire and Casualty Insurance
Investments in Canada Exceed $35,000,000
Head Office for Canada: 460 St. John St., Montreal
BERNARD HUMPHREY, Manager for Canada
North West Branch: Huron & Erie Building, Winnipeg
Toronto Agency: Parkes, McVittie & Shaw, Confederation Life Bldg.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$94,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary — W. H. HUNTER, President — ALEX. STEWART, Treasurer

NORTHWESTERN MUTUAL
FIRE ASSOCIATION
SEATTLE, WASHINGTON
Assets $4,026,244.79
HEAD OFFICE FOR CANADA—HAMILTON, ONTARIO
Branch Offices:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Saskatoon, Calgary, Winnipeg, Montreal, Saint John, Halifax and Charlottetown.
Writing Fire Insurance at Cost
ALL POLICIES DIVIDEND-PAYING AND NON-ASSESSABLE

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

MILL OWNERS
MUTUAL FIRE INSURANCE COMPANY
Assets — $2,704,909 OF IOWA Surplus — $1,282,787
GENERAL CLASSIFICATION OF BUSINESS TRANSACTED
POLICYHOLDERS' DIVIDEND RATE 25% TO 30%
Seneca Jones & Son, Hamilton, Ont.—Canadian General Agents

Owned by Its Policyholders
Every Metropolitan policyholder is a part owner of this company. To the policyholders are paid all profits earned. There is no stock and there are no stockholders. Metropolitan is a strictly mutual organization.
CANADIAN HEAD OFFICE - - OTTAWA, ONT.
Metropolitan Life Insurance Co.

Canadian Government
ANNUITIES

Attention of investors is called to the yield guaranteed by contracts for life annuities issued by the Canadian government. Contracts may be purchased whereby the annuity is payable for life and for 10, 15 or 20 years in any event.

The number of contracts being sold each year is steadily increasing. The Government Annuity System is provided at cost, all administration expenses being met by the Government. The income from an annuity is free from Federal Income Tax and cannot be seized or levied upon by any law or court. All persons between the ages of 5 and 85 may take advantage of the System. No medical examination is required.

Illustration of yield at various ages for male lives.
55 .. 8.4%
60 .. 9.6%
65 .. 11.2%
70 .. 13.5%
75 .. 16.7%

Descriptive booklet may be obtained free of charge by calling at the nearest post office or by writing to the Superintendent of Annuities, Department of Labour, Ottawa, Ontario.

Superintendent of Annuities
DEPARTMENT OF LABOUR
Ottawa - Ontario

ACCIDENT · SICKNESS · BURGLARY · GUARANTEE · FIRE · MARINE · AUTOMOBILE
BRITISH CANADIAN INSURANCE COMPANY
ESTABLISHED A.D. 1917

The
PIONEER
INSURANCE COMPANY
Fire Insurance at Tariff Rates
Pres.—JAMES STEWART
Vice-Pres.—FRANK O. FOWLER
Ex-Mayor of Winnipeg
Sec.-Treas.—J. H. FACHE
Head Office:
WINNIPEG - MANITOBA

Confederation

THE Confederation Life salesman has made a special study of all forms of life insurance protection. He has all the facts at his finger tips. By consulting him you have the advantage of gaining expert knowledge without one cent of cost.

Consult a specialist, he knows how to advise you.

"Over fifty-six years' service to policy holders"

Life
ASSOCIATION
HEAD OFFICE
TORONTO

Canada Life
Assurance Co.
ESTABLISHED 1847

Leighton McCarthy, K.C., President
E. R. Wood, LL.D., Vice-President
Herbert C. Cox, Chairman of the Board
T. G. McConkey, General Manager

SOME OUTSTANDING FEATURES OF THE 82nd ANNUAL REPORT

Profits Paid Policyholders in 1928
Total profits paid to policyholders in 1928 amounted to $4,688,000.

Surplus Earned
During the year 1928 the amount of surplus earned was $5,605,000.

Benefits Paid in 1928
Out of a total amount of $16,864,550 paid in benefits during 1928, living policyholders received $10,963,819.

Profits to be Paid to Policyholders in 1929
A total of $5,646,000 will be paid in profits to policyholders during 1929.

Assets for Protection of Policyholders
Policyholders are protected by policy reserves amounting to $139,677,000. This is the legal reserve, but the total assets of the Canada Life are now more than $157,000,000.

Total Business Issued in 1928—$177,000,000

		Increase
Total Insurance in force increased to	$881,726,000	$111,744,000
Total Assets increased to	157,069,000	16,488,000
Reserves for Protection of Policyholders	139,677,000	14,866,000
New Assurances paid for in 1928	166,690,000	20,198,000
Total Income for 1928	39,919,000	5,541,000

(A Complete Annual Statement Will Be Mailed Upon Request to Head Office at Toronto)

Sun Life Policyholders To Receive Special Bonus

In addition to regular dividends in 1929 of approximately $17,500,000

Office of the President,
Montreal, January 8, 1929

To Our Policyholders:

We have just completed another wonderful year, with profit earnings never before equalled. Our Directors have therefore inaugurated the principle of allowing a Special Bonus on maturing participating policies. The basis for 1929 may be summarized as follows:

On policies ten years in force, maturing by death or (on 'reserve dividend' policies) by the expiry of the reserve dividend period, a bonus of 10 per cent of the reserve, increasing yearly to 15 per cent on policies in force twenty years or longer; on endowments, at maturity, a bonus of 10 per cent of the face value of policies ten years in force, increasing yearly to 15 per cent on policies in force twenty years or longer.

Details will be given in the forthcoming annual report.

This special bonus is in addition to, and independent of, the usual annual profit distribution, the scale for which, for the ninth consecutive year, will again be increased.

We congratulate our members on this happy announcement. It has been made possible only by the large profits earned on the securities selected for the investment of the Company's funds.

As ninety-five per cent of all surplus earned by the participating assurances accrues to our policyholders themselves, they enjoy practical mutuality, combined with the enterprise and stability of stock management. The effect of this combination is evidenced by the results.

T. B. Macaulay,
President.

SUN LIFE ASSURANCE COMPANY
OF CANADA
Head Office - Montreal

Current Events in Banking World

BANKING ASSETS AT HIGHEST POINT IN OUR HISTORY

Savings Deposits Also Touched Peak at End of November

Both assets and savings accounts of Canadian banks showed new high records in the recently issued bank statement as of November 30 last.

Assets at $3,439,900,000 were at their peak for all time and savings accounts at $1,523,500,000 were also at their high point.

The total assets of the banks reached a high in October, 1921. The assets of the banks stood at $3,155,000,000 on October 31, 1921. After that date assets declined over a term of many months while Canada and the whole world were going through a period of business depression. Assets of the banks declined by over half a billion dollars. The steady upward climb began about four years ago and, with seasonal setbacks, the figures mounted higher and higher until at the end of November, 1927, total assets of the banks stood at $3,242,400,000.

At that time a new high record in savings deposits was reached. Savings accounts in the banks stood at $1,430,955,000 at November 30, 1927.

In addition to deposits in savings accounts there were $710,300,000 in current accounts, making total deposits in the banks $2,141,300,000.

As at November, 1928, savings deposits had climbed further to $1,523,500,000 and demand deposits to $726,200,000, or a total of $2,249,700,000. The increase for the year was thus $108,400,000.

Assets climbed during the year by $209,000,000.

It must be remembered that the price level has changed since October, 1921, when the peak was last reached. At that time the general price index in Canada stood at over 155 and at November 30 last had declined to 150. The change, while small, does indicate that the purchasing power of the dollar is slightly higher to-day than six years ago. For that reason the buying power represented by the money in Canadian banks to-day must be considered as having increased more than the bank figures themselves would suggest.

LACQUER COVER ADDS LIFE TO SMALL BILLS

United States Bills Formerly Lasted Only Six Months

The problem of increasing the life of paper money in the United States has been the subject of study for the past few years by the U. S. Bureau of Standards with the result that a new lacquer has been developed which, it is believed, will add materially to the life of treasury bills.

Formerly the life of the smaller bills was but six months due to increased circulation arising from greater national prosperity and also the increased use of automobiles which resulted in bills being soiled with grease when purchases were made from garage mechanics. Since the cost of each bill was one and a half cents it cost the government three cents per year for every dollar in circulation. This was greater than the two and three-quarter cents the government paid on short term certificates.

Better ageing and the use of better paper increased the life of the bills in circulation from six to nine months while dirty bills were washed and then re-sized with animal glue. The latest improvement however is expected to add still more life to treasury bills and follows a large number of experiments in the use of many combinations of cellulose acetate. The cellulose acetate or lacquer forms a closely adhering, invisible film, that is free from gloss or stickiness and does not bloom or discolor when dried at room temperature. It is anticipated that this new coating wil solve what in the past has been an expensive and troublesome problem.

New Appointment

B. P. ALLEY, recently appointed assistant general manager of the Canadian Bank of Commerce, who was previously superintendent of Manitoba branches.

PROMOTION GIVEN HENDERSON AFTER SERVICE IN EAST

Made Superintendent of Bank of Commerce Manitoba Branches

Appointment of E. E. Henderson as superintendent of Manitoba branches of the Canadian Bank of Commerce and W. V. Gordon as Mr. Henderson's successor as superintendent of Maritime branches is announced by S. H. Logan, general manager of the Canadian Bank of Commerce. The appointments follow the recent promotion of B. P. Alley as assistant general manager in charge of Western branches arising from the retirement of C. W. Rowley from this office.

Mr. Henderson has had extensive and varied experience both in Eastern and Western Canada. Joining the Commerce through its merger with the Halifax Banking Company twenty-five years ago, he went to Winnipeg in 1904 and was associated with the bank's present president, Sir John Aird, in organizing the first divisional superintendency on the prairies, one that in the next few years became the largest in the Commerce, for it took in supervision of all business from the Great Lakes to the Rockies. Mr. Henderson, therefore, took a leading part in that great branch expansion of the Commerce which has had so much to do with the remarkable growth of the institution.

In the course of 14 years' service in the West Mr. Henderson acquired an intimate knowledge of every phase of western business. His efforts in this field were rewarded by his appointment in 1918 as ass't inspector at head office and a few months later as inspector. He acted in the same capacity at the bank's supervisory department at Hamilton from 1924 to 1926, when he was made superintendent at Halifax.

Mr. Gordon's career has so far been entirely in the West, where he is known as an energetic and capable banker. Entering the Commerce over 20 years ago, he received his first managerial post at Kindersley, Sask., in 1910, and his second at Brandon, Man., in 1917. In 1920 he went to Winnipeg as ass't. manager and after five years in that position was made inspector at Regina, where the bank has its supervisory office for its extensive and important business in the province of Saskatchewan.

Montreal Bank Rights Might be Worth $40

From Our Own Correspondent

MONTREAL.—The long-anticipated issue of stock rights to the shareholders of the Bank of Montreal has finally materialized and shareholders are entitled to subscribe for one new share at $200 for every five shares now held. The stock offer is applicable to shareholders on the books of the company on February 9, 1929. With the bank's shares changing hands at, say, $400, the new stock rights will have a value of close to $40 a share. Under the plan, the paid-up capital will be increased by 59,834 shares of $100 par value and will bring the total paid-up capital stock up to some $36,000,000.

The issue of new shares in this proportion to the shareholders will bring the paid up capital stock of the bank up to $35,900,100, but the board of directors have also authorized an allotment of 999 shares. These will be allotted in the proportion of one new share for every 300 shares held; the fractions accruing to holders of small blocks of shares will be disposed of in due course, and the proceeds will be remitted to the stockholders.

Can. Forgings "B" Stock is Entitled to Dividends

From Our Own Correspondent

MONTREAL.—Canada Foundries and Forgings experienced a satisfactory volume of business in 1928, and it is thought that earnings will show a substantial improvement over those of the previous year. The activities of the equipment and structural steel companies is directly reflected in increased business for Canada Foundries and Forgings. The company's forge plant at Welland is working at capacity on orders recently received for a large quantity of axles for the railroad companies. Substantial orders have been secured from the motor industry as well as car manufacturing companies, and this branch of the company's operations is expected to develop materially in the coming year.

In view of the improved outlook for the company, the position of the class "B" common shares becomes interesting. The present capitalization of the company provides that the "A" shares are entitled to a dividend of $1.50 before any dividend can be paid on the "B" shares. This dividend has been inaugurated, and the class "B" shares are now entitled to share in dividend disbursements.

The funded debt of the company is small, consisting of only $223,900 at December 31, 1927. With no preferred stock outstanding, the greater proportion of the company's earnings from now on will be applicable to the common shares.

Bank Chat

The Bank of Montreal is opening a branch in Montreal at 1601 Sherbrooke St. West, under the management of C. L. O'BRIEN. The branch will be designated Guy and Sherbrooke Streets branch.

E. L. ROWAN-LEGG was recently elected president of the Halifax Bankers' Institute, which plans a series of six lectures given by the staff of Dalhousie University during the coming months.

Other officers of the Institute elected were as follows:

Hon. president, E. E. HENDERSON; hon. vice-presidents—C. E. MACKENZIE, A. E. NASH, and H. A. FLEMMING. Vice-president, GEORGE V. GUY; treasurer, G. A. COPPERTHWAITE; secretary, J. T. HOLDER.

E. R. HENRY, chairman, social and athletic committee.

E. E. HENDERSON, elected honorary president, has since been appointed superintendent of Manitoba branches of the Canadian Bank of Commerce.

A. E. NORCROSS

A. E. Norcross, formerly acting assistant manager of the Canadian Bank of Commerce at Halifax, N. S., is leaving the bank after 16 years service to join Royal Securities Corporation at Ottawa. Mr. Norcross has seen service with the bank in Ontario, Quebec, Nova Scotia and the West Indies.

EDWARD POPE, manager for the Bank of Montreal at St. Roch's, Quebec, has been transferred to Halifax, N. S.

F. J. SHREVE, manager of the Amherst, N. S., branch of the Bank of Montreal, has been transferred to Welland, Ont.

B. L. MITCHELL and W. A. ALLINGHAM were honored at a gathering of Vancouver managers of the Royal Bank and presented with souvenirs of their service with the bank in Vancouver upon the occasion of their departure from Vancouver. Mr. Mitchell has been appointed manager of the Toronto office of the bank and Mr. Allingham takes a similar position in Edmonton.

A. L. LOWE, formerly manager at Calgary for the Royal Bank, has moved to Vancouver to succeed B. L. MITCHELL as Vancouver manager of the bank. Mr. Mitchell will leave for Toronto at the end of January.

C. W. ROWLEY, who recently retired as assistant general manager of the Canadian Bank of Commerce in charge of Western branches, has been elected by acclamation to the position of first vice-president of the Toronto Board of Trade.

FRANK W. DOHERTY, manager of the main branch of the Royal Bank, at Edmonton, has been appointed manager at Calgary to succeed A. L. Lowe. W. A. Allingham, formerly assistant manager at Vancouver, will succeed Mr. Doherty.

The Imperial Bank has announced the opening of a new Toronto branch at Woodbine and Sammon Avenues. Business will be conducted from a temporary office pending the erection of a building.

Montreal Borrows Money For Six Months at 99.76

From Our Own Correspondent

MONTREAL.—The Bank of Montreal and the Banque Canadienne Nationale have been awarded the $15,959,000, 4½ per cent. issue of the City of Montreal. The bonds mature July 14, 1929, and are payable either in New York or Canadian funds. The successful syndicates bid $15,920,698 for the loan. This works out to a bid of 99.76 for the issue.

Another bid was received from a syndicate composed of the Royal Bank of Canada, Wood, Gundy and Company, Chase Securities and the First National Bank, Boston. This syndicate put in three bids with payments to be made in Canadian, London and New York funds. The cost of the money to the city on the lowest of these bids was 5.2 per cent., as against a little less than a 5 per cent. figure from the offer bid by the Bank of Montreal and the Banque Canadienne Nationale.

Redemption of Preferred Strengthens Can. Bronze

From Our Own Correspondent

MONTREAL.—It is thought that earnings of Canadian Bronze for 1928 will amount to approximately $6 a share on the common stock outstanding. In 1928 over $200,000 of preferred stock was redeemed, leaving approximately $1,000,000 outstanding. Thus earnings applicable to the common stock have been materially increased, and the outlook for the common shareholders in 1929 is distinctly favorable.

A dividend of $2 per annum is now being paid on the common shares, and in view of present earnings, about $8 a share, it is thought that the management may increase the dividend. For the nine months ended December 31, 1927, net profits of the company were $282,826. After all charges including dividends on preferred, this represented earnings of $5.99 a share, on the common stock.

Canadian Bronze has developed its general industrial business materially. This, coupled with the large orders for equipment which have been placed by the railroad companies recently, makes a bright outlook for the company for the coming year.

Atlantic Sugar Stronger Due to Improved Conditions

From Our Own Correspondent

MONTREAL.—The shares of Atlantic Sugar showed signs of life on the Montreal Curb Market last week, and sold up to 19. It is believed that the annual report, which will be published in a short time, will be favorable. Operating conditions have not been favorable during 1928, but the outlook for the company, and the sugar industry generally, is slightly improved. Though refined sugar from Cuba is still pouring into the Canadian market, it is thought that Atlantic Sugar is earning about $5,000 a month after all charges and depreciation.

In the event of any increase in the tariff on imported sugar, the company would increase its earnings materially. In 1927 the net profits of the company amounted to $30,638, representing $2.75 applicable to the preferred stock. No dividend has been paid on the preferred or common shares since 1920. The refinery plant has been maintained in a high state of efficiency, and the company is in an excellent position to take advantage of improved operating conditions in the sugar refining industry.

B.C. WILL SURVEY TIMBER FROM AIR

Plans Extensive Reconnaissance of Timberlands Not Yet Mapped

From Our Own Correspondent

VANCOUVER.—During the coming summer the provincial government will undertake an extensive survey of British Columbia forest resources from the air. This project was announced by Hon. F. P. Burden, minister of lands, who said that the co-operation of the federal government would be obtained in an effort to make the aerial survey the most complete of its kind ever attempted.

Mr. Burden believes that there are large areas of timberland, especially in the northern central spruce belt, that have so far not been mapped at all and that represent resources of considerable value.

He claims that ground surveys carried out in the past have entirely ignored important stands that may some day be utilized by pulp or paper mills, and that the government should not delay any longer before obtaining an accurate estimate of their extent.

"Ground surveys take more time and are costlier," said Mr. Burden. "It will be possible to make a fairly exhaustive check by airplane of the forest resources of a certain area within a few hours that would require several days of work by surveyors working on foot."

Forest reconnaissance has been carried on in a small way in British Columbia before, but never on such broad lines as are now contemplated.

Weekly Bank Clearings

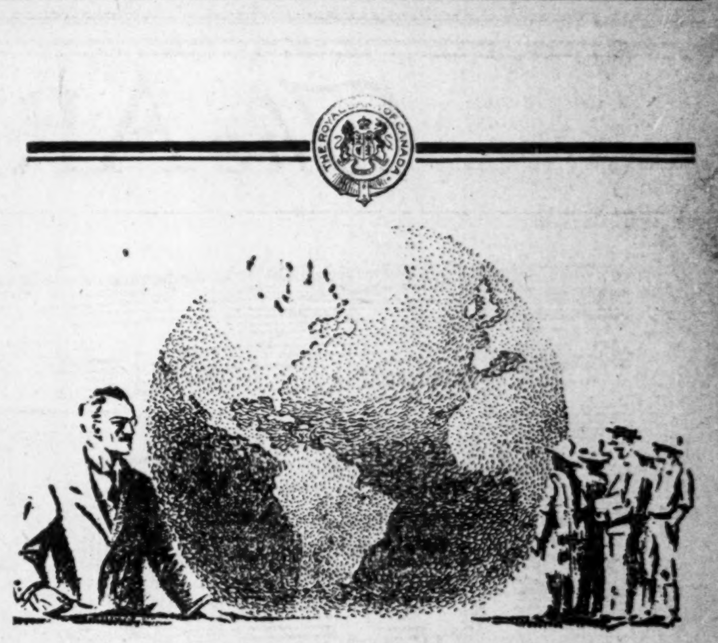
(As compared with same week last year)

Eastern Cities

	Jan. 12, 1928	Jan. 11, 1929
Halifax	$ 3,505,350	$ [illegible]
Saint John	2,691,903	3,264,685
Moncton	986,508	1,035,046
Quebec	6,065,869	7,165,114
Montreal	151,128,481	195,620,775
Sherbrooke	822,007	955,546
Ottawa	7,124,439	9,284,294
Kingston	822,259	822,317
Peterboro	1,193,231	1,241,979
Toronto	168,476,159	170,702,249
Hamilton	5,940,794	7,065,623
Brantford	1,177,674	1,353,572
London	3,644,417	3,968,521
Sarnia	707,129	788,136
Kitchener	1,439,504	1,228,284
Windsor	5,289,971	6,107,368
Chatham	953,526	......

Western Cities

	Jan. 12, 1928	Jan. 11, 1929
Winnipeg	$ 55,467,860	$ 57,715,727
Brandon	534,191	747,153
Moose Jaw	1,485,135	1,432,766
Saskatoon	3,130,998	3,258,352
Prince Albert	475,000	......
Calgary	13,750,637	13,984,509
Lethbridge	620,455	754,239
Vancouver	21,580,293	23,167,459
Victoria	2,348,089	3,089,682
New Westminster	715,998	946,230
Fort William	1,026,883	1,133,014
Regina	5,736,697	6,220,675
Moose Jaw	1,485,135	1,432,766
Edmonton	6,328,083	6,604,455
Medicine Hat	......	524,959



In Every Market

FROM Victoria on the Pacific to Barcelona in Spain, and from Fort McMurray on the northern fringe of civilization to Buenos Aires in South America—in every market, and in the service of every phase of industry and business, the 900 branches of this Bank play an important part.

A banking connection with us may benefit your business through our contact with these markets

G821 The Royal Bank of Canada

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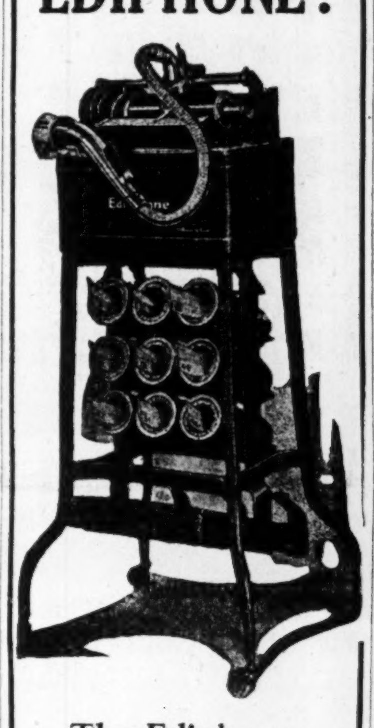
What Is The EDIPHONE?



The Ediphone is the world's most popular dictating machine and the only one made by THOS. A. EDISON.

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FRANK J. SMITH, Manager Montreal Office
Telephone: HArbour 3282

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A limited number of preferred shares available with a liberal common stock bonus.
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McCALLUM HILL & CO.
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Members Winnipeg Grain Exchange
Private Wires to All Markets
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Producers of Bank Notes, Bonds, Municipal Debentures, Stock Certificates, Interim Receipts, Cheques and all Documents of a Monetary Nature
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CANADA PERMANENT MORTGAGE CORPORATION
Quarterly Dividend
Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of
TWELVE PER CENT. PER ANNUM
on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable
WEDNESDAY, THE SECOND DAY OF JANUARY
next, to Shareholders of record at the close of business on the Fifteenth day of December.
By order of the Board.
WALTER F. WATKINS, Secretary.
Toronto, November 14th, 1928.

GEOFFRION & CO.
INVESTMENT SECURITIES
Members of the Montreal Stock Exchange
Members of the Montreal Curb Market
Tel. HArbour 2291*
231 Notre Dame Street West, Montreal
Branches: Canada Cement Bldg., MONTREAL — 18 Elgin Street, OTTAWA

Foreign Power Securities Corporation, Limited
President: A. J. NESBITT
Vice-President: JAS. B. WOODYATT
Directors: GENERAL R. BRUTINEL, R. DESPRES, P. DURAND, A. J. NESBITT, P. A. THOMSON, JOS. VERSAILLES, JAS. B. WOODYATT
Sec: L. C. HASKELL — Treas: C. JOHNSTONE

BALANCE SHEET
As at October 31st, 1928

ASSETS

Investments, at Cost		$8,172,333.38
Cash		23,866.24
Accrued Interest		48,584.39
Taxes Paid in Advance		2,686.64
Incorporation Expenses		8,899.68
		$8,256,370.33

LIABILITIES

To the Public:—		
Bank Loan, Secured	$369,650.00	
Preferred Dividend, payable November 15th, 1928	75,000.00	
Accounts Payable	4,182.44	$448,832.44
To the Shareholders:—		
Preferred Stock: Authorized—50,000 Shares of $100.00 each $5,000,000.00; Issued —50,000 Shares of $100.00 each	5,000,000.00	
Common Stock: Authorized—250,000 Shares of No Par Value; Issued —125,000 Shares of No Par Value	2,660,000.00	
Profit & Loss: Balance, subject to deduction for Income Tax	147,537.89	
		7,807,537.89
		$8,256,370.33

Approved on behalf of the Board: A. J. NESBITT, JAS. B. WOODYATT } Directors.

AUDITORS' REPORT
We have examined the books and accounts of Foreign Power Securities Corporation, Limited, for the period from the commencement of its operations in May 1927 to October 31st, 1928, and have received all the information and explanations we have required. We have verified the securities by inspection or by certificates from the depositaries, and we certify that the above Balance Sheet at October 31st, 1928, in our opinion, shows the true financial position of Foreign Power Securities Corporation, Limited, at that date, according to the best of our information and the explanations given to us, and as shown by the books of the Corporation.
(Signed) PRICE, WATERHOUSE & Co., Auditors.
MONTREAL, December 6th, 1928.

STATEMENT OF EARNINGS
Profit and Loss from the Commencement of Operations in May, 1927 to October 31st, 1928

Revenue from Investments		$341,039.70
Profits from Investments realized		122,820.77
		463,860.47
Deduct:		
Interest on Loans	$9,073.48	
General Expenses	15,745.76	
Taxes	4,723.70	
		29,542.94
Net Earnings for period before providing for Income Tax		$434,317.53
Deduct: Preferred Dividends		286,779.64
Balance, subject to deduction of Income Tax		$147,537.89

Calgary, Alberta
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Carlile & Farr Ltd.
Private wire to all markets.
Correspondents of Osler & Hammond

James Richardson & Sons
LIMITED
INVESTMENT BANKERS
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"A Complete Service to Investors"
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Your office is your best advertisement. "Office Specialty" equipment will make it look its best. We make everything for the office. Prompt service always. Talk it over with our representative — no obligation. 286
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STANDARD OIL
Dividends at New Peak
New York, Dec. 27—Cash payments by the Standard Oil group of companies for 1928 were at the highest peak since dissolution of the old company, reflecting the improvement that has come to the industry, as well as the strong position held by the units embraced in this category. The current year's disbursements reached a total of $222,337,321.
A total of $3,582,287,578 in cash and stock dividends has been distributed by the Standard Oil group of companies from dissolution of the old Standard Oil Co. of New Jersey in December, 1911, to the end of December, 1928. This represents a yearly average of $210,722,798 for the seventeen years.
—Montreal Star, December 27, 1928.
We recommend the purchase of:
Second Diversified Standard Securities Limited
(Royal Trust Co. Trustee)
An Investment Trust in STANDARD OILS
Offered in UNITS comprising {1 share 7% Cum. Preferred, 1 share Common Stock} at an attractive price
Circular on request.
F. J. FAIRHALL & ASSOCIATES LIMITED
Investment Trust Bankers
Dominion Bank Bg., Toronto
Montreal Ottawa Saint John, N.B. Vancouver Victoria

INVESTMENT SECURITIES
T. M. Bell & Company LIMITED
Saint John, N.B.
Fredericton, N. B.

We take pleasure in announcing that
Mr. R. Y. Cory
is now associated with this firm.
Stewart, McNair & Co.
Members Toronto Stock Exchange
Direct private wires to Montreal, New York, Chicago
ELgin 0421-2-3-4-5-6-7
Toronto Stock Exchange Bldg., Toronto

The ARRESTING STORY OF TORONTO

JUST now fifty million dollars worth of new buildings are in process of erection in Toronto, or will shortly be under way. Since the end of the great war $290,000,000 has been invested in new buildings in Toronto. Building permits this year will be more than $50,000,000. This is $15,000,000 over the previous high figures. No other city in Canada ever issued $50,000,000 of building permits in a single year. Much of this money has been spent in new hotels, apartments, warehouses, office buildings, parking garages and other large structures that are concurrent phenomena of metropolitan development. Seventy-four new apartment blocks were erected in Toronto in 1927 and 125 during 1928. One day recently four steam shovels were at work on University Avenue which was an indolent though stately avenue until this year. Over half of the frontage on downtown Bay Street has changed hands in a little over a year and a dozen new buildings, some of them modern sky-scrapers, have gone up in the space of a few blocks.

Toronto's outward appearance changes as the city grows. Consider again Bay Street and University Avenue, for instance. The first is quickly becoming one of Canada's great financial and business canyons. The second promises to be one of the great thoroughfares of the continent, a wide avenue lined with stately structures of stone and brick.

Toronto's population is not going ahead by leaps and bounds. It has always grown steadily and to-day the pace is merely quickened. Inside the city limits population is gaining about 15,000 yearly and Greater Toronto is gaining at about twice that rate. To-day there are 570,000 people in Toronto and 750,000 in the metropolitan area. No one line of activity engages the majority of them. Industry absorbs its quota. Distribution is the constant growing factor. Finance, professional services, music, art, medicine, construction, shipping, railroading are important factors in Toronto's development.

Consider these evidences of Toronto's position in many fields of activity:

There is $450,000,000 invested in industry in Toronto. Industrial production is $475,000,000 a year. Toronto is Canada's first industrial city. Toronto got 345 new industries in 1928.

Toronto is the home of the world's leading mining exchange. The Toronto Stock Exchange is important in industrial, financial and public utility securities. Bank clearings last year were $6,500,000,000 in Toronto and the increase in bank clearings in one year was greater than the total only 20 years ago. Head offices of five of Canada's ten banks are in Toronto. The city's two hundred and fifty-nine bank branches are the largest in number of any Canadian city. More bond houses have their offices in Toronto than in any other Canadian city.

Toronto is Canada's leading educational centre.

Toronto is the music centre of the Dominion and is foremost in art and amateur dramatics.

No city in Canada exceeds Toronto in volume of wholesale and retail trade.

The Board of Trade has the largest membership in the British Empire.

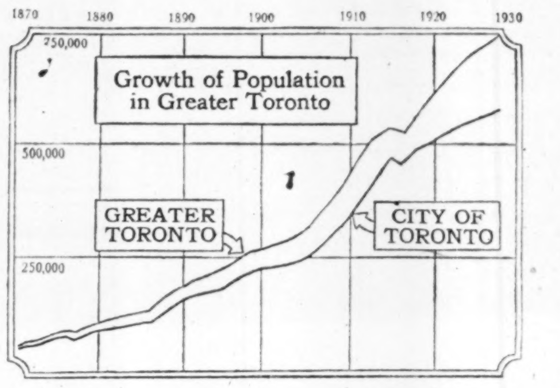
All of which shows that while Toronto is growing it is growing *broadly*—industrially, financially, commercially, culturally.

WHAT makes a city great?

Is it population? Is it industrial development? Is it wealth? Is it art, music and the drama? Is it civic development?

Choose your own yardstick and let us use it to measure this amazing city of Toronto.

Population? Only two major cities in this continent—Detroit and Los Angeles—have grown more rapidly since the beginning of the present century than has Toronto. They are indeed wonder cities, one with a climate to sell and the other singled out, almost by accident, as the chief home of the automobile industry. Greater Toronto's population has tripled since 1900—growing from around 220,000 for the city and suburbs to 750,000, according to directory estimates. Across the lakes Cleveland and Buffalo have only doubled. New York, Philadelphia, Boston and Chicago have not grown as has Toronto.



Industries? It is something to produce a seventh of Canada's manufactured products, to manufacture a multitude of commodities ranging in variety from paperboard to automobiles, from fountain pens to combine harvesters, from gasolene to magazines, from patent medicines to pianos, from wash tubs to radios; to do this without smokestacks, without winter bread-lines, without major strikes. "Toronto does not look like a great industrial city," it has been remarked. A delicate compliment, a tribute to the manner of Toronto's climb to industrial leadership.

Consider the yardstick of wealth. Toronto has its wealthy old families whose names were on the tax roll and the scrolls of public office three generations ago and are in the Blue Books to-day. Toronto has its newly rich, scores of them. Its homes are evidence of its millionaires. But these are unimportant beside the one fact that few cities have attained a more even distribution of wealth than has Toronto.

Culture? Young men and women come from all Canada and from the Orient to study in halls of learning in Toronto, in her art school and studios and in her music conservatories, famous the world over. A symphony orchestra, the Mendelssohn Choir, a music hall that brings the world's leading artists, are further evidence of appreciation of music in Toronto. Hart House Theatre and the Dickens Fellowship show that amateur drama flourishes.

Toronto is a cross-section of the nation. For that reason it is logically the centre of many things that are provincial or national in their appeal or their scope, such as the Canadian National Exhibition, the Royal Winter Agricultural Fair, the University of Toronto, to mention but three.

"My, how Toronto has changed!" people remark. They are impressed by a rising sky-line that has turned from a single peak to a mountain range. They are impressed by wider streets, magnificent buildings, by the city's more cosmopolitan aspect. They hear the noise of many rivetters at work and wonder what the swift staccato portends for Toronto. But has Toronto really changed? It is not a city built over-night. Toronto, in spirit, is the Toronto that was famous of old, a city growing and forging to the front by eternal adaptability. Toronto has always been in consonance with the times. Back in 1842, Charles Dickens looked at the city and said: "Toronto is full of life and motion, bustle, business and improvement." That is the Toronto of to-day as of 1842.

Toronto is a great city, because it is a city of continuous advance in both tangible and intangible things; because it is a city that might be set down beside any other great city, anywhere in the world, and stand critical comparison.

Ambition may run riot in Toronto and fulfil its dreams. Doctor, engineer, lawyer, merchant, mechanic, banker, broker, accountant, singer, artist, entertainer, professor,—anyone may come to Toronto and find a city that will give him a chance to do useful service. Or one may come to Toronto to shop, to visit, to study or merely to see and not go away disappointed.

Doesn't this mean that Toronto is a great city?

TORONTO, FOR WORK AND PLAY

One of a series of twelve advertisements describing the City of Toronto. These public spirited citizens, firms and institutions have made possible this series.

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Camera Portraits

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CANADIAN NATIONAL EXHIBITION

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Mining Share Specialists

THE TORONTO GENERAL TRUSTS CORPORATION

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXIII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JANUARY 18, 1929 | 10c. a Copy; $5.00 a Year | No. 3

LARGE OUTPUT BRINGS BESCO SMALL PROFITS

Seek Low Freight Rate on Nova Scotia Coal

ALSO ASK SUBSIDY

Since Difficulties in Way of Higher Steel Duties Are Larger, New Aid Is Sought

From Our Own Correspondent

SYDNEY.—That something further in the way of assistance (direct tariff protection or bonus) is needed to put the Nova Scotia coal and steel industries solidly upon their feet is the lesson drawn from the experience of the last 12 months here.

The steel mills at Sydney worked at 97.6 per cent. of capacity and turned out 100,000 tons more steel ingots than in 1927, realizing an operating profit of about $2,000,000.

The total coal production was not quite so great as in 1927, but the increase in shipments up the St. Lawrence amounted to nearly 1,000,000 tons over last year.

Yet the steel company is unable to pay any dividend after meeting its various bond interest charges, and the coal company had such a poor year financially that it had no profit to split with the miners under the profit-sharing wage agreement adopted last January.

Coal No Longer Carries Steel

It is generally agreed that the National Trust Company, receiver, has given the Dominion Iron and Steel end of the business the most efficient management it has ever had, so much so that where Dominion Coal always used to complain that it was forced to carry the steel plant on its shoulders, 1928 found this position exactly reversed.

The recent shake-up in active management of the coal company is expected to remedy this situation somewhat in 1929, but whether any management no matter how efficient, can about overcome the natural difficulties of the situation is a matter that is now seriously doubted throughout the province.

While 2,900 men are finding fairly steady employment the year round in the steel plants, winter unemployment and actual distress have set in earlier than usual this year among the Cape Breton miners, notwithstanding the big shipments up the river.

Hard to Adjust Employment

The Holt-Gundy interests are doing what they can by rationing available work among the miners of the different communities, but absolute equality is made difficult by the differences in quality of coal from various pits. At certain times it is possible to sell coal from one mine and not from another, and the effort to reconcile employment and sales needs at the same time is a task for another Solomon.

Although the Duncan report is still regarded as a manual of basic facts, the miners in particular have apparently lost faith in the profit-sharing plan since the failure of a big season's work to provide the expected bonus, and as usual when they are uneasy or discontented, they are venting their feelings in vigorous resolutions calling upon the provincial authorities to make Besco work the collieries or cancel the company's leases and give the mines to corporations that will guarantee results.

"Technical Error?"

The recent appointment of John W. MacLeod, former head of the U. M. W. to practically full charge of the collieries, although believed to be a good move from a technical standpoint, has proved a tactical error in one respect, having roused the resentment, apparently of both miners and officials, the latter feeling themselves humiliated "bossed" by a man they were a few months ago expected to fight out of loyalty to the company.

The general run of citizens are convinced that although the coal mining situation in Nova Scotia is not yet so hopeless as that in England, the underlying causes of unemployment are the same in each case—over-production and lack of markets. They realize that union efforts to force higher wages or more employment from the company under present conditions are as futile as trying to draw blood from a stone.

They feel, however, that there is hope in the fact that in Canada, a young and rapidly growing country, demand for coal must eventually overtake the Nova Scotia production; and further they see an immediate chance for big improvement in replacing with N. S. fuel the huge quantities of United States coal at present imported to Central Canada.

Look Elsewhere Than Tariff

It is regarded as absolutely hopeless to ask for further direct tariff protection on either steel or coal, owing to the divergent economic interests of the other provinces, so clearly illustrated recently by British Columbia's plea for tariff removal at the very time Nova Scotia was asking for tariff increase.

So a movement is under way by local boards of trade, with the blessing and assistance of the Maritime Board, to press upon the Federal authorities, demands for the following measures:

A winter rail freight rate of $2 a ton or less on Nova Scotia coal to Central Canada, which will enable us to undersell United States operators at Montreal.

A bonus of 50 cents a ton on Nova Scotia coal used in the manufacture of Nova Scotia steel (equivalent to $4 a ton on steel).

Putting into effect of legislation giving a bonus on native coal when used in Upper Canadian coking plants.

All of these things except the $2 winter freight rate, were recommended by the Duncan report but have not yet come into effect.

Freight Rate is Key

The $2 freight rate is regarded as most important of all. Coal experts here say that if it can be obtained, the westward movement of Nova Scotia coal by rail will be limited only by the capacity of the C. N. R. main line motive power, bridges and car ferries, with consequent great benefit not only to the coal miners but to the railroad towns between Sydney and Montreal.

The important thing is that it would remedy once and for all the recurring winter unemployment that has been the curse of Nova Scotia for 30 years but more especially since the war, for it was the main underlying cause of labor troubles and strikes costing the country millions annually.

Nothing Over $500

Suggestions for the Beginner in Investment Whose Capital is Limited

Suggestion No. 7 — Canadian Canners 2nd Preferred

By J. G. JOHNSTON

In the previous articles in this series have been considered standard common stocks which have had a long and consistent record of earnings. The only exception was Power Corp., which is a young company not yet in the investment class, but which has made remarkable progress. In this article will be considered another stock not yet in the investment class but which has a good outlook in the food industry, as Power Corp. has a good outlook in the utility field.

The second preferred stock of Canadian Canners, Ltd., has been in existence a little more than a year. It was created when the capital structure of the company was revised in order to eliminate the excessive burden of preferred dividends and preferred arrears. The holders of the old preferred were given in exchange half the amount in new first preferred and other half in the second preferred. It is this second preferred which appeals as a fairly sound stock with distinct possibilities of appreciation if held for a year or longer.

In a Diversified List

It would not be suggested as an initial purchase for an investor with $500 or less. But it would be a suitable investment for a person who already has acquired five shares of such other stocks as Shawinigan. Imperial Oil and City Dairy. At the present time, as much as twenty shares can be acquired for less than $500. The prevailing market is around $23, so that twenty shares can be had for $460, plus twenty cents per share commission to the broker.

This stock is convertible into common stock of the same company on the basis of share for share. The common stock ordinarily sells at about $3 per share lower than the second. The common at present gets no dividends, while 60 cents per year, or fifteen cents per quarter, is being paid annually on the second preferred. At present, therefore, the second preferred is the more attractive purchase because the additional investment of $3 brings a return of 60 cents each year.

When Conversion Benefits

If the company continues to progress, the conversion of the second preferred will be profitable. In future dividend payments, the common participates with the second preferred in increasing ratio so that both reach a $1 basis simultaneously. The second preferred is limited to $1 and may be redeemed by the company at $20 per share. But the conversion privilege may be exercised after the notice of redemption, so that the market price will not be regulated by the call price.

Canadian Canners, Ltd., is the largest company engaged in the canning business in the British Empire. Within the last three or four years the company's financial position has been improved greatly and the market position of the stock is excellent. While there is an active market, the floating supply is comparatively small. The company exhibits a strong balance sheet, with ample reserves for depreciation. The cash position is excellent, so that the company does not carry over large bank loans from year to year.

Can-opener in Every Home

The merchandising policy in recent years has been to build up goodwill among both consumers and dealers. The dealers are treated fairly, there being no violent fluctuations in prices and the quality of the goods appeals to the housewives. Expenditures on advertising are increasing, while the prices prevailing compare favorably with prices of similar goods marketed in the United States, where the volume necessarily is much larger.

With continued good management it would seem that the future of this company is assured. The prejudice against canned foods which prevailed years ago has all but disappeared; the can-opener is an essential device in every kitchen.

One of the advantages of this investment is the low price of the shares. A one-point advance on a $25 share is the equivalent of a four-point advance in a $100 share. Moreover, as a general rule, lower-priced shares are less vulnerable in the event of market reactions. For instance, in the various market recessions during 1928, Canners second preferred were never more than fractionally below twenty.

This is the seventh of a series of articles on investments for $500 or less. The previous suggestions, in the order named, were: City Dairy, Shawinigan Water & Power, Steel Co. of Canada, Imperial Oil, Power Corp., Brazilian Traction.

Toronto Pays $5,000,000 Off Debt Before Due

City of Toronto this week extinguished before maturity debt amount to $5,388,355.

This operation has been made possible through excess earnings and normal accumulations in the sinking fund, plus certain unexpended capital balances, etc.

The first retirement of this character was effected by former finance commissioner Thomas Bradshaw in 1919, when $1,975,313 was extinguished before maturity. Similar operations by George H. Ross, the present commissioner, have been as follows:

1921	$1,082,805
1923	2,425,085
1925	6,318,069
1929	5,388,355
	$15,214,314

Adding the two together it will be seen that since the war period the city has been able to extinguish before maturity debt aggregating $17,189,627.

In addition to the debt retired before maturity, there will have been during the same period (1919 to 1929) retired at maturity the huge sum of $65,425,442. In other words, from 1919 to 1929 inclusive the city will have redeemed, all told, debt in the sum of $82,615,069.

Sees Germany as Rival in Exports

Adoption of American methods in selling and advertising, as well as increased efficiency in her manufacturing, has increased the importance of Germany in the business field. E. B. Filsinger, president of the Export Managers' Club, told that organization in New York. Recounting his observations during a six months' trip abroad, Mr. Filsinger stated that Germany's continued improvement will make that nation one of our keenest competitors, but also one of our best customers, in the next few years. He said the prospects for export trade with Europe are excellent.—N. Y. Times.

STERLING OPERATES COALSPUR COLLIERIES

Alberta Mine Produced Too Much Slack For Profit

Coalspur Collieries in Alberta now is being operated by Sterling Collieries. Coalspur Collieries about a year ago acquired the property from Sterling Collieries on the basis of a royalty of 25 cents per ton. Coalspur got into difficulties recently and Sterling took back the property and is operating it. It is understood that Sterling is agreeable to having Coalspur reacquire the property at any time Sterling can be reimbursed for the actual cash outlay. There are $100,000 of bonds outstanding, of which Sterling owns a considerable proportion.

Mild weather last winter and in the fall of 1928 lowered the demand for coal from Coalspur and the method of mining, it is said, was unprofitable because so much slack was being brought to the surface. Methods have been altered, but Coalspur did not have the cash to make the necessary changes throughout the mine. It is said that the slack is now less than 25 per cent., at which figures it is calculated that good profits are possible under six-day operation. At present, the mine can be operated only three days a week.

Some sort of reorganization is likely, but it is claimed that there is no thought of forcing the Coalspur company into liquidation. The present tentative arrangement, it is hoped, will work to advantage of the bondholders in the long run.

Business Expands in N. S.

Evidence of increased business expansion in Nova Scotia is indicated by the number of company incorporations, which totalled 135 with a capital of approximately $50,000,000 as compared with 92 incorporations in 1927 with a capital of $20,000,000.

Saskatchewan General Trusts Corporation Limited

HEAD OFFICE: REGINA, SASK.

Subscribed Capital - - - $1,000,000.00

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BOARD OF DIRECTORS:

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GRAIN COMPANY STARTS BUSINESS IN MILLING FIELD

Alberta Pacific Grain Buys Flour Mills in Vancouver

From Our Own Correspondent

MONTREAL. — The purchase of the Victory Flour Mills of Vancouver by the Alberta Pacific Grain Company, may perhaps be the first indication of a trend in the grain business. In former years, the general industrial trend was toward consolidation along horizontal lines, that is toward the formation of larger units in one industry. Now, industry is seeing and obtaining the benefit by vertical consolidation, that is through the acquisition of properties producing raw materials and properties consuming the finished product. The milling companies have thus been expanding in the baking field. And now, comes the news that a grain company is expanding in the milling industry.

For the future, the new subsidiary of the Alberta Pacific Grain Company will be operated under the name of the Atlas Flour Mills, Limited. Work is now in progress which will remodel the mills and double their capacity. By the end of January the new subsidiary will be operating at full capacity with a production of 600 barrels of flour daily.

With its 400 country elevators and its terminal elevator at Vancouver, the Alberta Pacific Grain should be in an excellent position to obtain satisfactory returns on its new investment.

DAVID FRERES PERIOD BRINGS BIG PROFITS

First Annual Report Will Show Increase and Bettered Balance Sheet

From Our Own Correspondent

MONTREAL.—Earnings of David Freres for its initial six months' fiscal period ending December 31 have been equal to well over three times the dividend requirements of the "A" stock. The annual report is now being audited and will shortly make its appearance.

Last June, the company was publicly financed and the first annual report will therefore cover only a six months' period. The annual $2.25 dividend requirement on the "A" shares amounts to $51,750. After all depreciation charges, the earnings on the "A" shares during the past six months' period will amount to 2½ times the dividend requirements. Earnings of the company, after depreciation, are now running at the rate of over $130,000 annually. If this rate be maintained for the next twelve months, earnings on the "B" shares, after allowing for the maximum $3 on the "A" stock, would be equivalent to $3 a share on the "B."

Since the formation of the present company in June, the balance sheet position of the organization has undergone substantial improvement. The company's accounts receivable have increased from $90,000 to $105,000; $35,000 in Victory Bonds have been purchased. Accounts payable has declined from about $14,000 to $3,000; working capital, after paying out some $25,000 in dividends has also increased from $150,000 to $212,000; and the company has cash on hand.

Orange Crush Holdings in Honey Dew Valued

The value of Orange Crush Limited holdings in its subsidiary, Honey Dew Limited, can now be fairly closely estimated as the latter's stock has been listed for some time past.

Currently selling at around 41, on this basis the 71,000 common shares owned by Orange Crush Limited have a valuation of $2,911,000.

DICTAPHONE CORP.

The directors of Dictaphone Corp. have declared the regular quarterly dividend of $2 per share on the preferred stock of the corporation, and the regular quarterly dividend of 50 cents on the common stock of the corporation. In addition, the directors also declared a stock dividend on the common stock of the corporation of one share for every ten outstanding. All dividends and stock certificates will be sent March 1 to stockholders of record February 15, 1929.

Stanford Sales Up First Quarter

Stanford's, Ltd., operating a chain of provision stores in Montreal, had gross sales of $500,516 in the three months of the fiscal year ended November 30, 1928. This figure compares favorably with gross sales of $1,746,971 in the fiscal year and $1,724,455 in the 1927 fiscal year.

Stanford's formerly operated only stores catering to the well-to-do shopper but with the opening of other chains in Montreal, sales began to fall off. The policy of the company has been changed, with a view to appealing to all classes of store. Consistent with this, new stores opened recently have been equipped at much less than the cost of the older stores.

Loblaw Sales Up 20 Per Cent. at Christmas

Official figures procured by Canadian Grocer, show that sales of the Loblaw Groceterias, for the five weeks ended December 29, 1928, amounted to $1,831,017, as against $1,532,428, for the corresponding period of 1927. This is an increase of $298,589, for the five weeks, or almost 20 per cent.

Sales from the beginning of the company's fiscal year at the first of June, until December 29—a period of seven months,—were $9,171,857, as compared with $7,780,302 for the corresponding period of 1927, or an increase of $1,391,555.

With the addition of new stores recently occupied, and more to be opened in the early part of this year, it is anticipated that sales for the entire twelve months will be somewhere between $17,000,000 and $18,000,000. This will compare with $13,970,000 for the last fiscal year.

Further Business Seen For Quebec Bridge Plants

From Our Own Correspondent

MONTREAL.—Further business for the steel companies in Quebec may be expected shortly. It was announced recently that the government of Quebec, during the present session, will introduce a bill for the immediate construction of several large bridges. Premier Taschereau has stated that there is a need for bridges across the St. Lawrence at Quebec, at Lachine, and on the Richelieu and Yamaska rivers.

The Dominion Bridge Company and the McKinnon Steel Corporation are two steel companies operating in Quebec that have excellent facilities for undertaking business of this nature. The McKinnon Steel Corporation was formed a short time ago to acquire and operate the McKinnon Steel Company, which has undertaken several large contracts in structural steel work in Quebec during the past nineteen years.

Corporation Formed to Organize Companies

The Company Organizing Corp. of Canada has been formed under Dominion laws to assist in the formation of new companies, preparation of papers and otherwise to meet the needs of incorporators, shareholders and administrators of companies by providing the services of business and organizing experts. The Company Organizing Corp. at present has offices in the Royal Bank building, Toronto.

This is the first company of its kind in Canada, but it is said that the majority of incorporations in England and the United States are handled by such companies. There were more than 5,000 new companies formed in Canada in the last year and it is believed that a company specializing in this work would fill a need.

The president of the new corporation is George H. Roberts. Mr. Roberts is probably best known as the founder of the Crown Life Insurance Company. He served a number of years as that company's managing director and established the company throughout the entire Dominion before embarking on other activities in Montreal and Ottawa.

Foreign Security Service

To the astute investor it is essential to take stock of his investment holdings at certain intervals. May we not assist you in this regard, by quoting the present market on your securities, as well as commenting thereon?

Our Service Department will quote you on all issues, Domestic and Foreign.

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Interviews and correspondence invited

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MONTREAL

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Wave Length Chaos Halts Investment in Radio Stations

Canada is Looking Years Ahead in Demanding More Cleared Channels Now Assumed by U.S.—Canada Has Not Surrendered Any of Its Rights

Unquestionably no more difficult or perplexing problem involving the United States and Canada has ever arisen than that of the allocation of wave lengths for radio broadcasting. It is perhaps the only international problem which has been approached at the outset by the governments of both countries with the very best of intentions and in the most accommodating of moods and yet no progress whatever has been achieved. To-day the two countries are as far removed from agreement as they were when commercial broadcasting first burst into prominence six or seven years ago.

Moreover there has been, in the past year, a good deal of misinformation spread about the Dominion, with the result that deep and not easily rooted up opinions have gained a place in the minds of Canadians, which greatly hamper rather than assist the government officials whose task it is to negotiate with Washington.

International in Character

The real difficulty with the radio problem is that it is international in character. A radio station at Toronto may be heard clearly in Florida; the new high power station of the Manitoba government at Winnipeg may be a cause of acute interference with an American station in Texas. Yet the air into which these sound waves are discharged is undoubtedly the property of each country and there is no power in the United States to control or impede the operation of a Toronto or Winnipeg station.

Obviously it is a case in which common sense would indicate that the two countries, each of which possesses complete and sovereign power over all wave lengths, within their respective territories, should get together and make a fair division of them. Canada should control certain wave lengths; the United States should control certain wave lengths. Then both countries should license broadcasting stations to use these lengths and thus the radio broadcasting in both could proceed without interference. Failing such an agreement it is not inconceivable that stations in both countries broadcasting simultaneously on the same wave lengths would destroy, completely, the radio industry and fill the "air" with the most horrible and unpleasurable conflict of sounds.

But such a solution while it may appear simple from a distance is infinitely difficult of achievement. And here again the explanation is simple. Having regard to the relative populations of the two countries, the Washington government feels that Canada should be content with a very few exclusive wave lengths, while the Republic should have many. But the Canadian government cannot see the matter in this light. There are, after all, only a certain number of wave lengths to be had and Canada cannot now afford to surrender the many and take the few because once a wave length has been surrendered it will be forever impossible to regain it. For when a station is built and is allotted a wave length, there gradually grows up a vested interest, just as is the case with exported hydro power, and the possession, in such a case, is not

(Continued on page 18, col. 1)

FORD OF CANADA LOSES $4,000,000 IN FISCAL YEAR

No Prospect of Dividend in 1929, Says W. R. Campbell

RUMORS ARE DENIED

Neither Motor Magnate Nor His Family Buying; No Capital Change Forecast

Ford of Canada lost approximately $4,000,000 in 1928 and there is no prospect of a dividend in 1929, according to W. R. Campbell, vice-president and treasurer.

Ford of Canada had profits of $171,221 in 1927, $6,315,494 in the seventeen months ended December 31, 1926, and $6,132,327 in the twelve months ended July 31, 1925. There were no dividends in 1928, but 15 per cent. was paid on the $7,000,000 of capital in 1927.

Previous dividends were: 1905, 6 per cent.; 1908, 10 per cent.; 1909, 25 per cent.; 1910, 100 per cent.; 1911, 100 and 500 per cent. in stock; 1912, 20 and 33 1/3 per cent. in stock; 1914, 10 per cent; 1915, 110 per cent.; 1916, 600 per cent. in stock; 1917, 5 per cent.; 1918, 5 per cent.; 1919, 35 per cent.; 1920, 15 per cent.; 1921, 30 per cent.; 1922, 30 per cent.; 1923, 10 per cent.; 1924, 10 per cent.; 1925, 20 per cent.; 1926, 10 per cent.

Henry Ford Not Buyer

Stock of Ford of Canada has fluctuated between $725 and $890 per share on the New York Curb this week on various rumors. One was that the 70,000 shares of stock of $100 par value were to be split into 100 times the number of shares of $4 par value. Another rumor was that the Ford family was desirous of acquiring additional shares, and that these were being purchased in the open market.

Mr. Campbell's statement, obviously issued after consultation with

(Continued on page 18, col. 1)

BANQUE CANADIENNE NATIONALE

54th Annual Statement
30th November, 1928

PROFIT AND LOSS ACCOUNT

Credit

Balance at credit of Profit and Loss Account 30th November, 1927	$ 413,879.03
Net profits for the year ending 30th November, 1928, after deducting expenses of management, interest accrued on deposits, unearned interest on discounts, and making full provision for all bad and doubtful debts	946,065.15
	$ 1,359,944.18

Debit

Dividends paid	$ 412,500.00
Dividend payable 1st December, 1928	137,500.00
Pension Fund	35,000.00
Dominion Government Taxes	100,000.00
Provision for payment to the Treasurer of the Province of Quebec, Statute 14, Geo. V, Ch. 3	125,000.00
Balance at credit of Profit and Loss Account 30th November, 1928	549,944.18
	$ 1,359,944.18

BALANCE SHEET

Liabilities

Capital stock paid in	$ 5,500,000.00	
Reserve Fund	5,500,000.00	
Dividends declared and unpaid	3,273.15	
Dividend payable 1st December, 1928	137,500.00	
Balance of Profit and Loss Account (after deducting payments to the Treasurer of the Province of Quebec, Statute 14, Geo. V, Ch. 3)	549,944.18	$ 11,690,717.33
Notes of the Bank in circulation	12,019,694.00	
Deposits not bearing interest	18,792,821.00	
Deposits bearing interest (including interest accrued to date)	104,292,037.60	
Advances under the Finance Act	2,000,000.00	
Balances due to banks in Canada	610.74	
Balances due to banks and banking correspondents in the United Kingdom and foreign countries	314,404.72	137,419,568.06
Letters of credit outstanding		902,618.19
		$150,012,903.58

Assets

Gold and current coin	$ 954,208.08	
Dominion notes	7,717,841.50	
United States and other foreign currencies	124,093.13	8,796,142.71
Notes of other banks	815,205.00	
Cheques on other banks	6,272,498.03	
Balances due by banks in Canada	725,834.25	
Balances due by banks and banking correspondents elsewhere than in Canada	1,163,547.76	
Deposit in the central gold reserves	6,800,000.00	
Deposit with the Minister of Finance for the purpose of circulation fund	287,568.40	16,064,653.44
		24,860,796.15
Dominion and Provincial Government securities, including demand loans, not exceeding market value	24,592,947.14	
Canadian municipal securities, and British, foreign and colonial public securities other than Canadian, not exceeding market value	7,069,932.94	
Railway and other bonds, debentures and stocks, not exceeding market value	2,429,012.46	34,091,892.54
Loans to cities, towns, municipalities and school corporations		7,641,156.41
Call and short (not exceeding thirty days) loans in Canada on bonds, debentures, stocks and other securities of a sufficient marketable value to cover		10,696,988.55
		77,290,833.65
Other current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts		64,223,772.97
Other current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts		12,557.23
Liabilities of customers under letters of credit as per contra		902,618.19
Mortgages on real estate sold by the Bank		1,232,962.56
Real estate other than Bank premises		550,205.83
Non-current loans (estimated loss provided for)		173,030.99
Bank premises at not more than cost (less amounts written off)		5,405,524.43
Other assets not included in the foregoing		221,397.73
		$150,012,903.58

A. COURTOIS; *Chief Accountant.* — BEAUDRY LEMAN; *General Manager.* — F. L. BÉIQUE; *Vice President.*

NOTE:—The assets and liabilities of Banque Canadienne Nationale (France) same being considered a branch operating as a subsidiary of Banque Canadienne Nationale, are included in above Balance Sheet.

AUDITORS' CERTIFICATE

We beg to report to the Shareholders of Banque Canadienne Nationale that we have checked the cash and verified the securities of the Bank at the Chief Office as at 30th November, 1928, as well as at another time during the year, and found they agreed with the entries in the books in regard thereto.

We have examined the books and accounts at Head Office and have compared the above Balance Sheet with these books and with the certified returns from the branches. In our opinion, the Balance Sheet is properly drawn up so as to disclose the true condition of the Bank as at 30th November, 1928, according to the best of our information and the explanations given us, and is as shown by the books of the Bank.

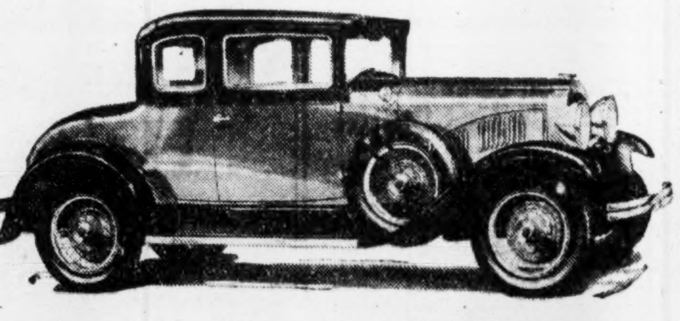
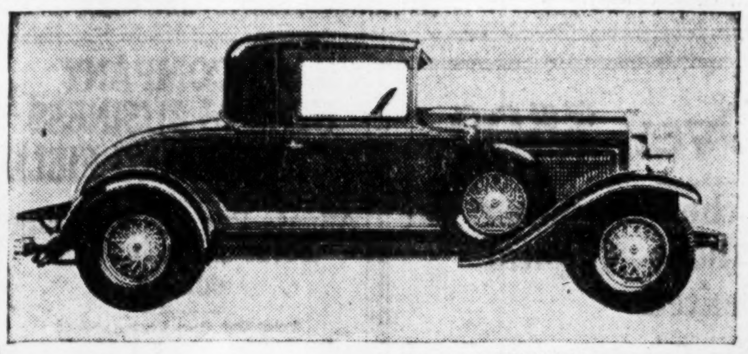
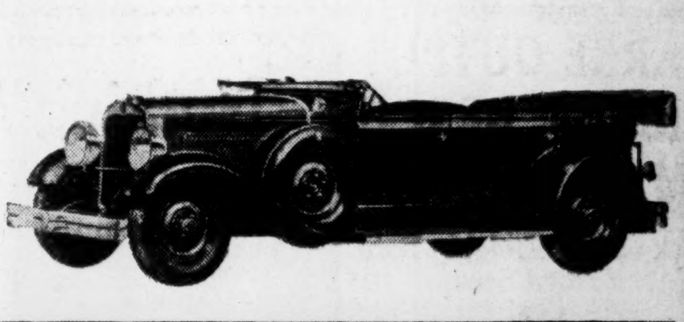
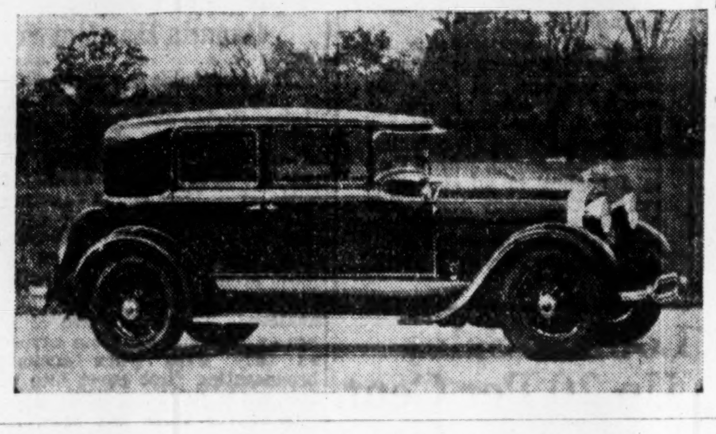
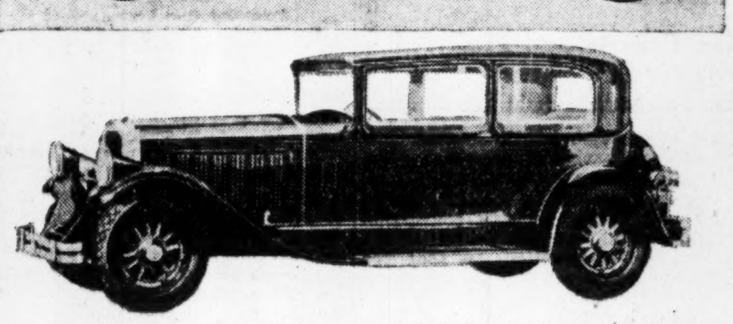
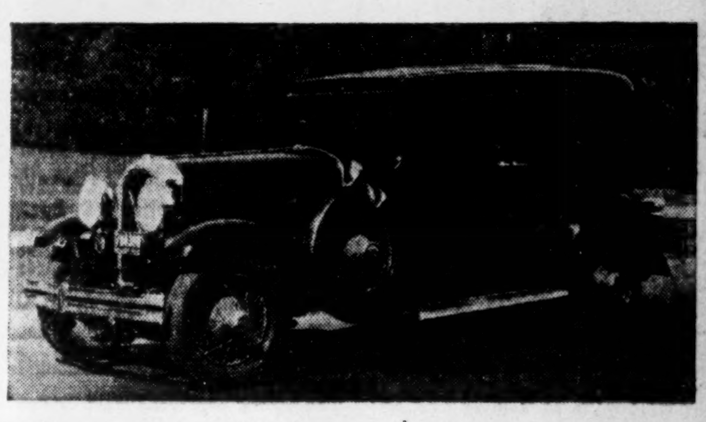
We have obtained all the information and explanations required by us, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

Montreal, 19th December, 1928.

EUG. TRUDEL, C.A., of LaRue & Trudel.
W. GARTH THOMSON, C.A., of Peat Marwick Mitchell & Co. } Auditors

NATIONAL AUTO SHOW IN TORONTO DISPLAYS NEW 1929 MODELS

Models for 1929 On Display at the National Motor Show in Toronto

Uper row, left to right: Reo, The Mate, new six cylinder companion to The Master; the new Willys-Knight six cylinder coupe for two; and the Nash Advanced Six seven-passenger touring with Royal equipment. Lower row, left to right: The 1929 Lincoln Four Sedan; Pierce Arrow Club Brougham and the new series Marmon "78" five-passenger sedan.

Trend in Auto Design to Length and Power

Models on Display at Toronto Show Described — Bigger, More Powerful, More Beautiful Cars is Aim

The mode in automobile construction for 1929 was fully displayed at the National Motor Show which opened in Toronto on January 12 with exhibits from practically every manufacturer offering automobiles to the Canadian public. The average attendance is expected to be approximately 7,000 a day and many of the visitors to the show have been attracted from all parts of Canada.

Increased power, larger chassis, stronger brakes and improved transmission are noticeable in most makes. Body lines have been refined and radiators in many cases are made higher while in a number of cars the name plate has been dropped from the front of the radiator entirely. The tendency appears to be toward greater power and General Motors have left the four cylinder class entirely by placing the Chevrolet in the six cylinder class.

Prices remain, on the whole, at practically the same level as in 1928, but the refinements and improvements found in practically every make of car reflect the intense thought that has been given to automobile design during the past few years. Brief reviews of the models on display at the National Motor Show are given below:

Auburn

Auburn's line of cars present an interesting display at the show. Although presenting many improvements and refinements of the body lines, they retain the Auburn contours and features such as the beading which converges to a point at the radiator cap, a design that has always been a distinguishing feature of the Auburn. For 1929 Auburn presents three lines at lower prices than previously. The new six is designated the 6-80 and is priced slightly over $1,500 for the standard model. In the eight class the 8-90 and the model 120, the former a light eight and the latter a big eight. DeLuxe models are available in all three lines, the feature of these models being wire wheels, five in the case of the six and six in the case of both eights. The extra wheels are mounted on the side in specially constructed fender wells.

Four models are offered in the 6-80 including a convertible cabriolet; seven in the 8-90 with two convertible models, the phaeton sedan and the cabriolet; and six models in the 120 also with two convertible models.

Auburn's speedster models are confined to the eights and are particularly sporty cars. Striking color designs and a streamline body give these cars a racy appearance. All models are powered by Lycoming engines. Mechanical features include hydraulic four-wheel brakes, Bijur chassis lubrication, Lanchester torsional vibration dampener, dual manifold and dual carburetor. Wheelbases are 120 ins., 125 ins. and 130 ins.

Black Hawk

A new series built by Stutz and shown for the first time in Canada at the show, is the Black Hawk, a companion car to the larger and more powerful Stutz. The Black Hawk bears a striking family resemblance to the Stutz. Many features are incorporated in the new series. One of the most outstanding is the "Noback" which automatically prevents back rolling on inclines or hills, without the use of brakes.

The Black Hawk is powered by a six or eight-cylinder motor both of equal power and performance, optional with the purchaser. The six is an overhead valve engine, the parts which are interchangeable with the Stutz eight engine parts with which it is similar in all except number of cylinders. The eight is a "L" head type.

Other points of interest in the Black Hawk are: four forward speed transmission, adjustable front and rear seats, four-wheel hydraulic brakes, 127½-inch wheelbase, Bijur chassis lubrication, safety glass all round. Choice of bodies includes those by LeBaron and Weymann. Performance up to 70 miles an hour or better.

Cadillac

Described by Cadillac officials as possibly the greatest mechanical improvement of the company since 1923 when the Cadillac engine was inherently balanced by the development and installation of the 90 degree throw compensated crankshaft, the Cadillac of 1929 features the "syncromesh" silent shift transmission. Duplex, mechanical, effortless four-wheel brakes and Security plate glass are also featured in General Motors de luxe production.

Chandler

Chandler offers two six-cylinder lines in the 6-65 and the Big Six and two eight-cylinder lines in the Royal 8-75 and the 8-85. These four lines are presented in 26 different body styles and many variations of color.

All lines have high compression engines and one shot chassis lubrication system, and all but the 6-65 have Westinghouse vacuum brakes.

The 6-65 engine is patterned after the Big Six's Pike's Peak engine. It has a bore and stroke 3⅛ by 4¼.

The Royal 8-75 has a 118-inch wheelbase. Its eight-in-line engine has a bore of 3 inches and a stroke of 4½ inches.

The 8-85 has an eight-in-line engine, with a bore of 3⅜ inches and a stroke of 4¾ inches. Royal 8-85 cars will do eighty miles per hour or better, it is stated.

Chevrolet

"The most outstanding Chevrolet of Chevrolet history—a six in the price range of the four," made in Canada represents a change in policy on the part of General Motors in leaving the four-cylinder field and yet keeping prices down to a competitive basis with cars remaining in the four-cylinder class. Production scheduled in Canada during 1929 is 100,000 cars.

The outstanding change in Chevrolet is, of course, the new six-cylinder, fully enclosed, valve-in-head engine with total displacement of 194 cubic inches. It is equipped with a new sturdy crankshaft, new camshaft improved lubricating system, new fuel pump and large bearings throughout.

The driver's adjustable seat is a convenience that will be appreciated by both extremes of drivers, the long and the short, and all closed models are equipped with Ternstedt window regulators and remote door controls. There is also a new steering wheel with rubber-covered spider.

New improved four-wheel brakes keep pace with the increased power plant and new two-beam headlights have been used which operate by foot control switch.

Chrysler

Chrysler body lines for 1929 are in general more sweeping and lower than before while refinements and improvements of mechanical details and body design have added an additional touch to last year's models. Of the Chrysler line the "65" and "75" were re-designed last July and the Imperial was redesigned last month.

The Imperial "80," the de luxe car of the Chrysler group is bigger with an overall length of 191 inches and is equipped with shatterproof glass and adjustable seats. The engine develops 112-horsepower. The massive new crankshaft is balanced and counterweighted.

A new four-passenger coupe has been added to the "75" line. In both the "65" and "75" re-designed seats together with larger and wider bodies give additional space. New type Chrysler engine mountings having rubber plates between frame and engine supports reduce transmission of road shocks, and both have shock absorbers throughout.

Both the "75" and "80" have thermostatic radiator controls which add to the frontal appearance.

DeSoto

DeSoto models have the high radiator with narrow shell which is found in a number of the 1929 models. Full crown fenders and arching window silhouettes add to the graceful contours of 'the newest car at the show."

The DeSoto engine is 55 horsepower with "silver dome" high compression motor which is standard. The engine is L-head type with 3-inch bore and a stroke of four and one-eighth inches. Cam-shaft, crankshaft and all connecting-rod bearings are lubricated with full force feed lubrication system.

Expansion hydraulic four-wheel brakes, Lovejoy hydraulic shock absorbers, small wheels, self-adjusting spring shackles and special manifolding, four bearing crankshaft and latest electrical system are other features.

Dodge

Radically changed under Chrysler management, the new Dodge appears at the National Motor Show with many improvements of body line and mechanical structure. Outstanding improvements are the mono-piece jointless bodies of single piece construction designed to reduce squeaking joints, new transmission gears of wide-face design, 7-bearing crankshaft, rear axle with double thrust-absorbing bearings, and four-wheel, weatherproof Chrysler hydraulic shock absorbers all round. All exposed metal is of chromium plate.

The Dodge Brothers Six is offered in seven body metals and the Dodge Senior Six also combines the best features of Dodge and Chrysler.

Durant

Durant features refinements of past design rather than radical changes in the new 1929 line which includes the "40" with four-cylinder engine and the "60," "63" and "70" with six-cylinder engine. Red Seal motors are used throughout. All models have added power.

The Durant "70" has the featured four-speed gear shift and a new radiator with longer lines and integral shutters of the vertical set type. Both "60" and "63" have a new hood with raised panel louvres and a piano-hinge. Engines have an extra long stroke and extra heavy axles of molybdenum nickel and chrome vanadium steel are used.

The Durant "forty" models include de luxe four-door sedan, de luxe coupe, four-door sedan, two-door sedan and coupe. The "60" appears as a special sedan, special two-door sedan, and special coupe. De luxe models can be secured in all of these. The "63" includes special sedan, special coupe, and de luxe models, while the "70" has a special sedan, special coupe and de luxe models.

Erskine

Studebaker's Erskine Six includes five-passenger Royal sedan and a five-passenger regular sedan, a five-passenger Club sedan, a Royal cabriolet for four and a cabriolet for two.

All Erskine models are powered by Erskine Six motors and are the most popularly priced of the Studebaker products. The engine has a brake horsepower of 43 and is of the L-type, cast en bloc.

Equipment is as follows: Automatic windshield cleaner, rear-vision mirror, ash receiver and dome light in sedans. Speedometer, hydrostatic gasoline gauge, ammeter and oil pressure gauge mounted under glass in a group, encircled by etched silver frame, indirectly illuminated. Spare-tire carrier on rear. Coincidental steering gear and ignition lock, key for which also operates lock in doors of closed cars and rear compartments of Cabriolets and Coupes. Shock absorbers.

Franklin

The new Franklin bodies are marked by long, low sweeping lines and increased width which provides greater riding comfort. A wide variety of body lines are mounted on three chassis. Models are designated 130, 135 and 137.

The present six-cylinder air-cooled motor which has higher compression and greater power. New silent transmission reducing noise from the gears to a minimum and new automatic valve oiling which insures uninterrupted lubrication are featured. All models carry special headlights.

Wheelbase of the 135 is 125 inches and for the 137 is 132 inches. Brakes are 4-wheel hydraulic with two internal expanding shoes. Crankshaft has seven bearings and is fully counterbalanced. Transmission is selective with three forward and one reverse.

Ford

Each of the Ford body types are on display at the show, including the new Ford town car which is here displayed to the public for the first time. The town car has the first custom-made body and is the first chauffeur-driven car of the Ford line. This car is formal in appearance with a European touch not generally associated with Ford.

The coupe has a light and roomy interior for two with plenty of space for a third passenger. The phaeton which may be changed to a closed car with the clear vision storm curtains provided is a racy open model. The Fordor, Tudor, sport coupe and roadster complete the display. The roadster is possibly the most striking car of the Ford exhibit, as it is a deep yellow which is in great contrast to the more sober tones of other displays.

The scheduled Ford production of the cars on show for 1929 has been stated to be in the neighborhood of 140,000 and production for 1928 was approximately 70,000.

Gardner

Gardner features three entirely new series, the series numbers (120, 125 and 130) of which, refer to length of wheel base. Many innovations change everything but the straight-in-line principle. In the three series there are sixteen body designs and fifty color combinations.

New and deeper radiators, and new-design lamp equipment change the frontal aspect of the cars while the radiator cap has been redesigned and also the griffon emblem. The new Gardner is equipped with magnetic starting button on the instrument board, three-way lighting system mounted on steering column, specially designed convex front bumpers, adjustable side cowl ventilators and form-fitting seats.

The Gardner Lycoming Yellow Jacket L head vertical type, eight in line of 115 horsepower is used on the series "130." The piston displacement is 298.6 cubic inches. On the "125" series the same type motor with a 246 cubic inch piston displacement is used and a slightly smaller motor of the same type is used on the "120."

Lockheed, hydraulic inclosed four-wheel brakes, centralized automatic chassis lubrication and a magnetic starter which turns on from the instrument board like an electric light switch are standard equipment.

Graham-Paige

The Graham-Paige 1929 offerings consist of two straight eight and three six-cylinder chassis series.

In general, all Graham-Paige chassis are of longer wheelbase and increased power, with flexibility and smoothness attained by power-plant refinements. Hydraulic shock absorbers and internal (hydraulic) brakes are regular equipment on all models. A feature of the largest six and both eights is centralized chassis lubrication. All cars except the smallest six have the Graham-Paige four-speed transmission with two high speeds, direct and semi-direct.

All five chasis now have internal hydraulic brakes, cam and lever steering, coincidental lock, hydraulic shock absorbers, new rubber engine suspension, crank case ventilators, etc. All but the smallest have standard shift 4 speed gear set. The eights and largest six have Bijur centralized chassis lubricating systems and radiator shutters.

Hudson-Essex

Eight new body types in the Greater Hudson and two in the Essex Challenger and re-designed bodies in other models, together with 76 radical engine improvements in the Greater Hudson and 64 in the Essex, combine to increase still more the beauty and power of past Hudson-Essex models.

In the Essex power has been increased by 24 per cent. due to engine improvements and important changes have been made along the line of power from engine to crankshaft. There are no radical changes in chassis or body lines of the Essex.

Hudson bodies for 1929 average about four inches longer than those of 1928 as well as being wider. Hudson chassis are motored by the new Super-Six F-head motor, which is claimed to produce 92 horsepower. New brakes balance the increased power and longer springs make easier riding. The new radiator is higher, wider and deeper with a broad cap that fits snugly into the shell. Bodies are of steel construction throughout.

Hupmobile

The new Hupp 1929 Century eight includes nine separate models of which all but two are on the 120-inch chassis. The Century six has eight models.

The lines of the 1929 models have been changed by extending the hood sill and splash mudguards forward to cover the front spring shackles completely and at the rear extension has been made to cover the gas tank as well as the spring shackles.

Special insulation is used between body and frame and a single welded back panel replaces the customary three, four and six jointed back panels. Both standard and custom equipped styles are available in both the eight and the six. Hupmobile is now showing the greatest array of models in the history of the company.

Jordan

Jordan presents two new lines a six and an eight with a variety of body types and color combinations in wide range. Additional body styles are promised for the near future but the present display consists of a five-passennger sedan in the six cylinder line and a sedan and a coupe in the eight.

Chassis are rubber insulated throughout with a new rubber spring shackle said to deaden road and tire noise. Horsepower has been increased in the Air Line Eight motor to about 90, while the six cylinder motor has been increased to take care of the increased wheelbase. Radiator, fenders, interior fittings and hood louvres have all been changed while a new fuel pump operated by motor keeps the gasoline under constant pressure and the headlamps of the new eight have been increased to 12 inches.

The new eight is claimed to exceed 88 miles per hour and to be closely followed by the new six. Improved hydraulic brakes keep step with increased engine power.

La Salle

Marked improvement in body structure, larger bodies, Cadillac-designed transmission, efficient brakes, adjustable front seats and a more powerful motor distinguish the La Salle 1929 models. The wheelbase has been increased to 134 inches except in the three open models.

The Cadillac "syncro-mesh" transmission system, which makes the gears run at the same rate of speed just prior to shifting, allows more silent shifting of the gears and longer service.

Chief changes in engines and chassis have been in the nature of refinements. The engine is more powerful, and a high compression head gives a compression ratio of 5.3 to 1. The power plant has been increased in size, giving greater efficiency and all-round performance. Its cubic capacity is 328 inches; bore, 3-1/4; stroke, 4-15/16; S.A.E. horsepower, more than eighty-six.

Lincoln

Many new body types and a number of chassis changes distinguish the 1929 Lincoln models. Most apparent of the changes in design is the changed radiator shell which has been changed in outline. The shell has been given a slight shoulder where it meets the hood concealing the edge of the hood when viewed from the front.

New rubber engine mountings will be standard equipment. The braking system has been improved and now has six independent enclosed braking surfaces. Radiating fins attached to the entire drum surface provide security against overheating of brakes.

In addition to chassis changes, new bodies will be in the Lincoln line, the Town sedan, designed by Willoughby, which attracted notice at the body-builders' salon in New York last month. The new Berline, by Judkins, also will be on display. The lines of the Town sedan body are conservative and the seating arrangement improved. Other Lincolns exhibited are the sport phaeton, the four-passenger coupe and the limousine by Willoughby. Custom-built exclusiveness has been achieved in this luxurious limousine by one of the country's master coach builders.

McLaughlin Buick

McLaughlin-Buick models for 1929 made their official bow to the public a few months ago so that this exhibit does not reveal anything that the motoring public are not already familiar with. The 1929 models are radically different from their predecessors. The body design is characterized by convex contours in the paneling that give the cars an entirely new and distinctive appearance, and make for roomier interiors.

Three series are offered: series 116, series 121 and series 129; the series numbers representing the wheelbases respectively. A variety of body designs and types are available in each of the series and considerable attention has been given to the appointments. The new cars are more commodious and better upholstered and offer a number of refinements and comfort insuring devices.

Mechanically the 1929 cars reflect a number of improvements. A more powerful motor gives a speed of over 75 miles an hour, equipment is generous and appliances to make easy operation are standard equipment.

Marmon

Marmon cars need no introduction. The Marmon eights have won an enviable position in the automobile world and the 1929 edition known as the New Series 68 and 78 bid fair to uphold this reputation. While not radically changed in design from their predecessors they present many improvements and refinements which give them added distinction.

Both the New Series 68 and the New Series 78 are straight eight type. The 78 is the big eight of the line, although it is not ponderous. The 68 is a smaller eight which sells at price of the average six. Six body designs are available in both series and much attention has been given to detail of luxury and refinement. These refinements include adjustable seats, ash receptacles in arm rests and appointments that add to comfort.

Mechanically the cars are featured by a new device to stop crankshaft vibration at its source. Brakes are four-wheel mechanical self-energizing, springs are mounted in rubber knuckles; steering is designed for steadiness at high speeds. Brake horsepower is 86 at 3,400 r.p.m. in the 78, and 76 in the 68.

Open models and convertibles are included in the line and striking models are offered.

To supplement the Marmon line, a new car, the Roosevelt, has been developed that will sell in Canada at about $1,500. The new Roosevelt will be an eight and will present many features of design. At $1,500 it will invade the medium priced field of the sixes and offer to the purchaser a low priced straight eight with the Marmon name behind it.

Nash

The 400 series is Nash's answer to the would-be-purchaser of a car. Available in three series: the Standard, Special, and the Advanced, it has enjoyed a demand unprecedented in Nash history. The series was announced last summer and now the full line of body designs are available which was not the case at the time of their announcement due to the demand for the usual types.

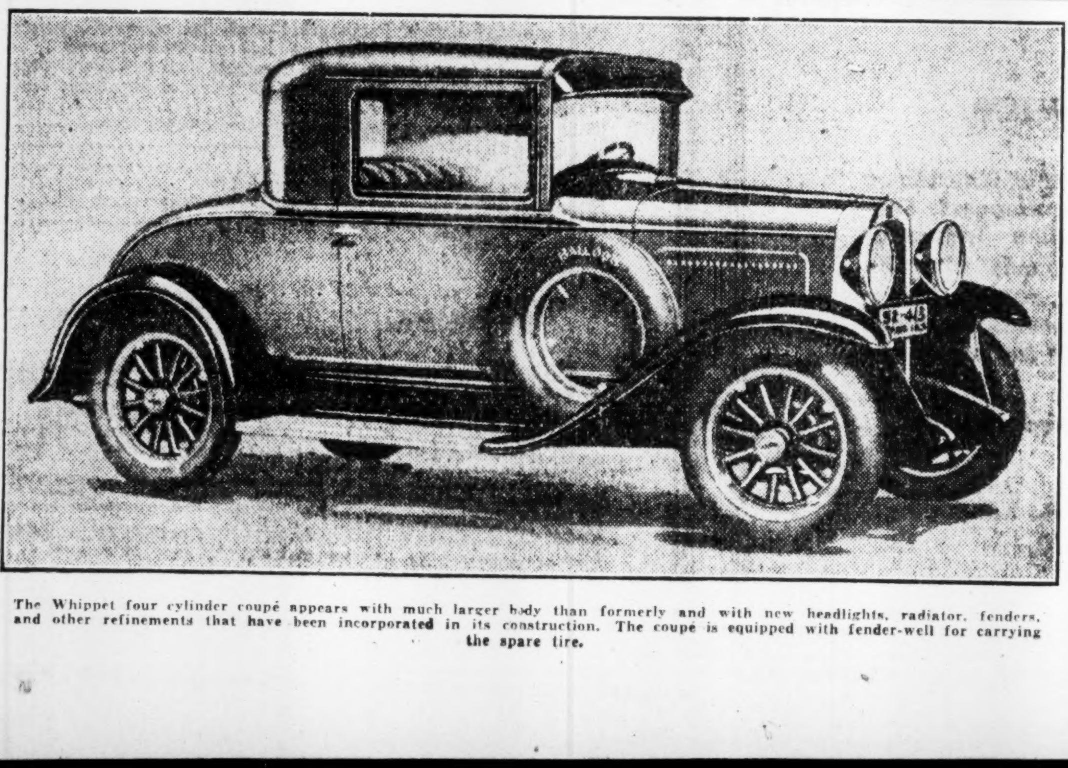
The 400 series features a twin ignition motor, salon bodies of low sweeping lines, Bijur lubrication system, seven-bearing crankshaft, shock absorbers front and rear, etc. Disc, wire or wooden wheels of the English type are available. All three series are six cylinder cars.

Oakland

General Motors' new Oakland, introduced a few weeks ago, is effectively displayed at the National Motor Show. The 1929 edition is distinctly changed from its predecessor, both mechanically and in body design. The Olympic series

(Continued on page 17)

The New Whippet Four Coupe for 1929



The Whippet four cylinder coupé appears with much larger body than formerly and with new headlights, radiator, fenders, and other refinements that have been incorporated in its construction. The coupe is equipped with fender-well for carrying the spare tire.

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(Of which 30,000 shares have been subscribed.)

Canadian Insurance Shares Limited

(Incorporated under the Laws of the Dominion of Canada)

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Management Shares without par value	100	100

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The Company is organized to provide an all-Canadian structure to facilitate the transaction of Insurance business in Canada, and to assist by the ownership of a share interest and by the provision of a supervisory management service in developing among Canadian-owned Companies facilities which shall be adequate to conduct a substantial proportion of the total Insurance business of this country.

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1. The Company is formed as an ordinary joint stock Company, and not under the Insurance Act by reason of the fact that the Investment which one Insurance Company may make in the capital of another is by Statute limited.

2. The Company will apply to the Parliament of Canada at its next session for a Charter pursuant to the Insurance Act of Canada incorporating the Canadian Re-Insurance Corporation, under that name or by such name as may be designated, which Corporation will engage in the business of re-insuring the risks of other Insurance Companies authorized to carry on business in the Dominion of Canada, or within any Province of the Dominion. The Canadian Re-Insurance Corporation shall be a wholly owned Subsidiary. This Company has already acquired control of three Insurance Companies with an aggregate annual premium income of approximately $1,500,000. Negotiations are in progress to acquire other companies.

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The Organizers and Directors of Canadian Insurance Shares Limited wish to have it clearly understood that the dividend policy must follow the normal course of development of an Insurance business. Due to the Statutory requirements in the matter of reserves, and by reason of the expense incidental to the building up of an Insurance business, it would be unlikely that profits in substantial volume could be available for distribution by way of dividends in the early years. While the policy of this Company, as of every sound financial venture, will be to pay dividends as soon as they may legitimately be declared from the earnings, shareholders who join the enterprise are specifically requested not to expect substantial dividends in the earlier years of operation. It is, of course, anticipated that the rewards as measured in dividends in later years, and as soon as the Company is well organized, will provide more than adequate deferred compensation for what may not have been made available in the first three to five years.

DIRECTORS

30,000 shares have been already subscribed for by more than one hundred men, leaders in the business life of this Dominion. From this group and from other outstanding business men, a Board of Directors will be selected which will represent all parts of the Dominion, all of them to be men of outstanding ability and integrity with a wide knowledge of business, industry and finance.

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100 Management Shares are issued and paid for in cash at the price of $50.00 per share, and held subject to a voting agreement, the object and intent of which is to make certain that control of the Company shall at all times remain in the hands of Canadian Directors. It is furthermore provided, however, that the terms of the Voting Trust Agreement may at any time be modified, or the agreement cancelled, on the instructions of two-thirds of the shareholders at a special general meeting called for that purpose, and such provision is incorporated in the Company's charter. The object and intent of the Management shares is to provide the greatest possible safeguard against the purchase of control by foreign Insurance organizations, and at the same time to leave in the hands of the shareholders the power to control the voting agreement so that it may always be used in the best interests of all the shareholders.

Price—$50.00 per share.

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GURD COMPANY PRODUCES SOUND YEARLY REPORT

Profits Are Proportionately Larger — Balance Sheet Position Improved

From Our Own Correspondent

MONTREAL.—The second annual report of Charles Gurd and Company to be issued since investors became interested in the company reveals that earnings in 1928 were appreciably larger than during the preceding fiscal period. The company's balance sheet position as at the end of the 1928 year also reveals progress.

A direct comparison of income figures over the last two fiscal periods is impossible as the 1927 figures cover only a seven months period. However, on a proportional basis earnings during 1928 were substantially greater than during 1927 as the following comparison of income account figures clearly shows:

	1928	June 5 to Dec. 31 1927
Net profit*	$207,017	$ 96,987
Income tax†	......	6,478
Balance	$207,017	$ 90,509
Pfd. divds.	27,959	17,500
Balance	$179,058	$ 73,009
Com. divds.	72,375	22,250
Surplus	$106,683	$ 50,759
Prev. bal.	50,759	......
P. & L. bal.	$157,442	$ 50,759

*After depreciation and income tax.
†For prior period.

Working Capital Position

	1928	1927
Current assets	$399,380	$289,453
Current liabilities	28,927	23,487
Working capital	$370,453	$265,966

The foregoing comparison of working capital figures reveals clearly the betterment which has taken place in the company's financial position, despite the reduction of the outstanding preferred stock from $500,000 a year ago, to $300,000 at December 31 last.

Balance Sheet Changes

Other changes in the balance sheet include the increase in the surplus account noted in the foregoing profit and loss figures and, in addition, common stock is now carried at $878,300 as against $352,410 a year ago. Depreciation has been increased from $45,000 to $77,000 and a mortgage of $300,000 last year has now been eliminated from the liabilities. In the assets, call loans are up from $120,000 to $210,000 and the increasing volume of business transacted by Charles Gurd and Company is seen in the accounts receivable which now stand at over $100,000 as against $83,400 a year ago. Inventories are carried at $78,997 as against $70,456 last year and property accounts stand at $674,926 as against $663,115 at the end of 1927. Investments of $34,481 make their appearance for the first time on the balance sheet. During the year, the goodwill account remained unaltered at $250,000.

Remarks to Shareholders

In his remarks to the shareholders, Alexander McA. Murphy, the secretary-treasurer, says in part:

"The figures which admit of full and fair comparison are those of the annual sales, which show an increase over 1927 of sixteen per cent. and the annual operating profits, which show an increase of $39,046.75.

"The several revisions of our financial structure have proved of benefit, viz., the cancellation of the mortgage of $300,000 and the redemption of $200,000 of preferred stock through the sale of the treasury stock, thus leaving the company in the enviable position of being without major liability except to its shareholders.

"Your directors have under serious consideration certain operative rearrangements and renovations along with alternative schemes of reconstruction.

"Your directors hope to arrive at a decision shortly concerning these matters, following which they will submit their recommendation to you for approval."

MIDLAND LOAN'S PROFITS INCREASE

Midland Loan & Savings Co. of Port Hope, in 1928, increased its profits after taxes for the sixth year in succession, the net available for dividends being $57,338, which is 15.9 per cent. on the $360,000 of paid-up capital. Dividends of 8 per cent. with bonus of 2 per cent. were continued.

Debentures outstanding are up $193,429 to $1,642,850. Mortgages in force increased $261,368 to $2,390,901, which is the largest increase in the history of the company. The company ended 1928 with no real estate on hand for sale, for the twelfth year in succession and more than 98 per cent. of the year's revenue has been collected. The reserve fund has been increased by $15,000 to $430,000.

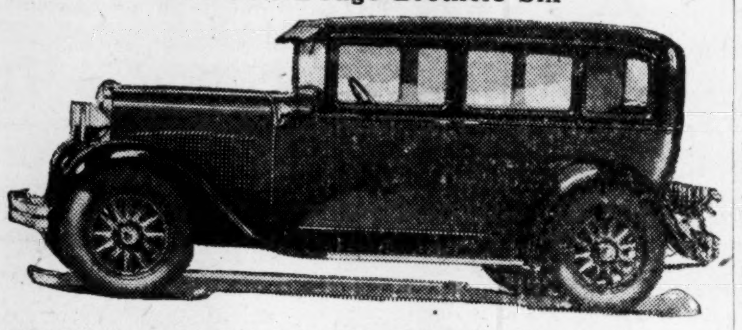
The burden of taxation under which loan companies operate is illustrated by the fact that payments of $5,278 constitutes 31 per cent. of the expense account of the company.

Rate of Earnings

Year	Paid-up Capital	*Profits	Earn. %	Div. Rate
1920	$360,000	$42,768	11.8	8+½
1921	360,000	50,247	13.9	8+1
1922	360,000	52,725	14.6	8+1½
1923	360,000	48,459	13.4	8+1
1924	360,000	52,920	14.6	8+1
1925	360,000	53,063	14.7	8+1
1926	360,000	53,427	14.8	8+1
1927	360,000	56,075	15.5	8+2
1928	360,000	57,338	15.9	8+2

*After taxes.

The New Dodge Brothers Six



Eight body types are available in the Dodge Brothers Six. Many new features are incorporated in the 1929 models including mono-piece body construction.

TREND IN AUTO DESIGN IS TOWARD LENGTH AND POWER

(Continued from page 16)

as the new Oaklands are termed, comprises seven body models. The cars are bigger, faster, more powerful, with new and distinctive Fisher bodies with beauty of design that would do justice to cars of much higher prices than the Oakland.

The new engine develops 68 brake horsepower at 3,000 r.p.m. Bore is 3⅜-inch and stroke 4¼-inch, giving a displacement 16 inches greater then the previous Oakland. Brakes are internal expanding, self-energizing, mechanical four-wheel brakes; the lubrication system is improved; gasoline pump takes the place of the vacuum tank; radiator is of the cross-feed type and the front of a new and pleasing chevron design. In many ways the new cars reflect a distinct advance over the 1928 model.

Oldsmobile

The 1929 Oldsmobile is not radically changed although a number of refinements and improvements are to be seen in the new cars. Body design is practically the same, most noticeable change being the placing of a heraldic crest on the radiator and the removal of the name plate from that position to a chromium plated bar connecting the headlights.

The line is available in two types: the special and the de luxe—with seven models in each. The de luxe models are equipped with wire wheels. All closed models now have adjustable front seats and the interiors have been improved by better trim and upholstery.

Mechanical features include a more powerful motor which developes 62 horsepower, a new air cleaner and larger carburetor.

Packard

Always to the fore in the field of quality cars, the 1929 Packard is no exception to the standard set up, by former models. Three series are offered, all of which retain the Packard lines although with a host of refinements and improvements. Two series: the Standard and the Custom, were introduced to the public a few months ago. Recently a new and finer series, the De Luxe, made its bow. All are displayed at the show.

All three are powered by Packard straight eight motors. The famous Packard Six was supplanted by the Standard, an eight at practically the price of the old six. The new cars are featured by additional mechanical devices that ensure ease and safety of driving at high speeds. Coachwork and appointments are luxurious. Performance is in accord with the smoothness of design and the quality of the engineering.

Peerless

A straight eight de luxe series in the Peerless is supplanting the former V-type eight cylinder de luxe series. The new straight eight will be available in the spring.

In addition to the above model, Peerless presents the six-81 and six-91 restyled to conform with 1929 standards of beauty but retaining the typical Peerless lines. Both have high compression, high efficiency, high speed seven-bearing crankshaft engines, rubber mounted, Lanchester dampener, single plate clutch, gasoline, oil and air filters, internal hydraulic brakes, racing type steering wheel, electric clock, cam and lever steering among other features. Full body complements are available on both chassis.

Pierce-Arrow

Pierce-Arrow enters the straight eight field with its 1929 models. Previously a big six, this manufacturer has now turned to the eight and two series are offered that are more powerful and bigger than the previous cars. One series, comprising eight body types, is mounted on a 133-inch wheelbase. The other series consists of five types and has a wheelbase of 143 inches. The new cars are lower than before, but so engineered that there is more headroom than formerly.

Coachwork always a feature of the Pierce-Arrow has more appeal than formerly. The new body designs are more slender than before and of trimmer appearance. The impression of bulk is eliminated with no sacrifice to the interior dimensions, which provide exceptional roominess.

The new engine developes 125 horsepower and attains a speed of 85 miles per hour. The cylinders have a 3½-inch bore and 4¾-inch stroke. Double carburetor, duplex ignition and dual manifolding add to power. A nine-bearing crankshaft contributes to smooth operation and riding qualities are added by lengthened springs, shock absorbers and well engineered design. The chassis is heavier, in keeping with the larger and more powerful motor. Brakes are the internal expanding on all four wheels. Parking brakes operates on the transmission. Added safety is given by the use of shatterproof glass throughout.

Plymouth

The Plymouth is Chrysler's bid in the four cylinder class. Introduced a few months ago it has experienced a growing demand that has taxed plant capacity. In appearance it bears a strong resemblance to the Chrysler cars due to the narrow shell radiator that features all Chrysler products. There are six body types. The roadster is displayed for the first time at the Show and proves to be a smart addition to the four cylinder field.

Mechanically the cars incorporate many Chrysler features. Brakes are hydraulic, internal expanding on all four wheels. Motor is the silver dome type. Performance carries Chrysler pick-up and chassis construction is in accord with power and speed provided. The Plymouth has been made additionally attractive recently by a cut in prices.

Pontiac

The new 1929 Pontiac makes its first appearance at the Show, and is bigger and more powerful than its predecessor. Body design is materially changed and resembles to a considerable degree the new Oakland. There are seven body types which include two new models, a convertible cabriolet and a landaulet sedan with folding rear quarter. Interior construction and appointments are improved and in keeping with the new beauty of design. In the closed models the driver's seat is adjustable.

The new power plant is larger and more powerful, placing the Pontiac in the big six class. The new engine developes 57 horsepower. Added features include a harmonic balancer and other improvements are, new mechanical internal expanding four-wheel brakes, larger carburetor, manifold and valves; sturdier rear axle; redesigned transmission, new Hotchkiss drive.

Many other changes and additions have been made, all which go to make the 1929 models superior to the 1928 models.

Reo

Reo introduces the Mate, companion to the Master, and superseding the Wolverine which is discontinued. The new addition to the Flying Cloud series is a smaller addition of the Master and appears in two body models, a five-passenger sedan and a two-passenger coupe offered with or without rumble seat.

The wheelbase of the Master is 121 inches and that of the Mate 115 inches. Both cars have six cylinder engines and internal expanding hydraulic four-wheel brakes. The Mate has a high compresison L-head motor with a compression ratio of 5.5 to 1. This engine is six-cylinder, 3-3/8 inch bore and 4 inch stroke, developing 60 h.p. at 2,800 r.p.m. The piston displacement is 214.7 cubic inches. Engine, single plate clutch and gear set form a unit power plant.

The crankshaft is mounted on seven bearings and carries a vibration damper on the front end.

Stearns-Knight

Stearns-Knight, the de luxe product of Willys-Overland, is produced in five distinct chassis models, each with a full line of body models.

The largest of the Stearns-Knight line is the De luxe J8-90 with a wheel base of 145 inches, and a straight eight Knight engine which develops 112 h.p. Two of the five chassis models are designated the De Luxe series H8-90 and J8-90.

Long rakish bodies with nickel trim present a distinctive appearance. The six cylinder models are strikingly low in outline. Wheel base of the sixes ranges from 126 to 134 inches.

Custom-built bodies by Brunn and Judkins which are available in a number of new color combinations, enhance the beauty of the line.

Studebaker

A new Commander eight, a new Commander six and a new President eight offered in two series, both with longer wheelbase and more roomy bodies than before, and with motor of greatly increased power and performance, are being shown by the Studebaker Corporation.

Double drop frame construction yields low and graceful body lines and lowered centre of gravity. Four-wheel brakes have been made more powerful by increasing the size of the brake drums and an entirely re-designed rear axle has been installed in the President which also has double-acting Houdaille shock absorbers on front and rear. While wood wheels are standard, wire wheels may be obtained on all models.

Stutz

Always a striking car, the new Stutz is no exception to those that have gone before. The 1929 line with bodies by Fleetwood, Lebaron and Weyman and increased engine power show evidence of attention to additional refinements and improvements.

The car is powered by eight cylinder engine of increased power, giving performance between 90 and 100 miles per hour. Crankshaft is nine-bearing, wheelbase is 134½-inch or 145-inch as desired. Other mechanical features are four-speed transmission, hydraulic four-wheel brakes, internal expanding with vacuum booster, Bijur chassis lubrication, safety glass all round.

A new device in the auto world is introduced for the first time on the new Stutz. It is called the "Noback" and automatically prevents back rolling on hills without the use of brakes.

Equipment and appointments are the best, luxuriousness being the keynote.

Whippet

Changes in the newly re-designed Whippet fours and sixes have resulted in greater beauty, increased power and more driving convenience. The fenders of the new Whippets are a graceful, full-dome, adding grace to bodies that have been made longer, lower and wider. Radiators are higher.

Engine refinements in the Whippet four have resulted in increased power; stroke and compression ratio have been increased and a new manifold and wider intake have been added. Maximum horsepower is given as 40. In the six no changes have been made in the engine except to increase the compression ratio. Wheelbase has been increased in the six to 112½ inches and in the four to 103¼ inches.

Finger-tip control is installed in both lines. This new departure allows the operation of horn, lights and self-starter through the medium of one fluted knob placed in the centre of the steering wheel. The device is described as the outstanding convenience since the introduction of the electric starter.

Willys-Knight

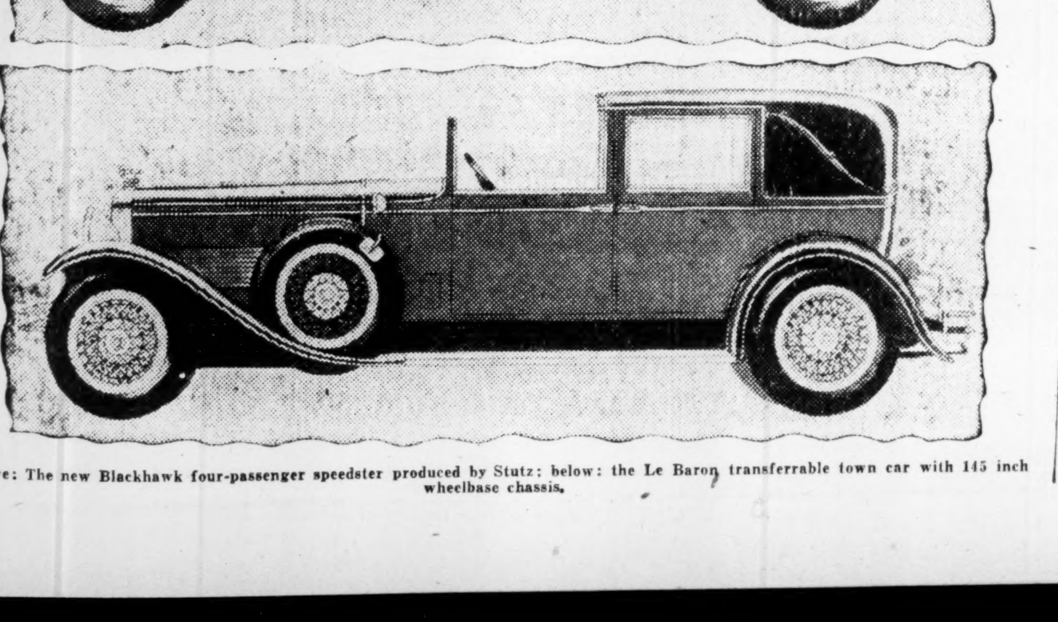
Willys-Knight improvements as provided in the new 1929 models add in power, spaciousness and style to older models of the same line. The Willys-Knight Six includes a four-door sedan, coach, coupe, roadster and touring car. Finger-tip control, a radical departure that is found on all 1929 products of this manufacturer, makes for ease in control that has not heretofore been available.

The six-cylinder sleeve-valve engine of the Six develops a brake horsepower of 53 at 3,000 revolutions per minute, having a bore of 2 15/16 inches and a stroke of 4⅜ inches for a displacement of 177.9 cubic inches. Frames of new design provide rigidity and strength, while the cars have been lightened in weight to some extent.

New steering gear prevents road shock transmission through the wheel.

The Willys-Knight Great Six is new throughout and the power plant which is the largest used in Willys-Knight cars develops 72 horsepower.

1929 Blackhawk and Stutz Models



Above: The new Blackhawk four-passenger speedster produced by Stutz: below: the Le Baron transferrable town car with 145 inch wheelbase chassis.

Interlake Tissue Has Started Construction

From Our Own Correspondent

MONTREAL.—Excavating work has started on the addition to the plant of the Interlake Tissue Mills, at Merritton, Ont. The extension will be 75 feet by 100 feet, four stories high, and added at the west end of the building. The structure will be of standard mill construction and the contractor is W. J. Trimble, Toronto. George Carruthers, who is a former president of the Canadian Pulp Association, is the head of the Interlake Tissue Mills, and S. F. Duncan was lately appointed vice-president and treasurer, taking the place of the late Isaac H. Weldon. T. A. Weldon has been appointed to the board of directors and Wm. Parks has been made secretary of the company, which has been busy of late and is extending in order to meet increased demands for its product. Light weight paper specialties will be taken care of in the new addition.

NOW TRADE CONSOL. BAKERIES

Toronto stock exchange on January 16 ceased to accept Northern Bakeries shares for exchange. Certificates of Consolidated Bakeries now are being traded. Shareholders of Northern Bakeries received shares of Consolidated Bakeries for their holdings.

T. R. BILLETT & CO.
Stocks and Bonds *Unlisted Securities*
214 CURRY BUILDING - - WINNIPEG

The ROYAL TRUST COMPANY
EXECUTORS and TRUSTEES

New Issue

$4,000,000

Dominion Tar & Chemical Company Limited

Twenty-Year Sinking Fund Gold Debentures 6%, Series A

To be dated January 2nd, 1929. To mature January 2nd, 1949.

Principal and semi-annual interest (January 2nd and July 2nd) payable in Montreal, Toronto, Halifax, St. John, Winnipeg, Calgary, Edmonton, Vancouver, New York, or London, England, at the fixed rate of $4.86⅔ to £1 Sterling. Issuable as $1,000 coupon Debentures registerable as to principal only. Fully registered Debentures in denominations of $1,000 and authorized multiples thereof. Redeemable at the following prices and accrued interest: at 105 if redeemed on or before January 2nd, 1934; thereafter at 103 if redeemed on or before January 2nd, 1939; and thereafter at 102 if redeemed before maturity. Annual cumulative Sinking Fund, commencing October 1st, 1931, equal to 2% for each of the first three years and 3% annually thereafter of all the previously issued Debentures of Series A. Montreal Trust Company—Trustee.

Common Share Purchase Right

Holders of Debentures of Series A will be given the right to purchase five fully paid common shares for each $1,000 principal amount of Debentures held by them respectively at a price of $30 per share on or before January 2nd, 1931; at $35 per share on or before January 2nd, 1933; at $40 per share on or before January 2nd, 1935. If any Debenture of this issue is redeemed on or prior to January 2nd, 1935, the holder thereof will be entitled, notwithstanding the call for redemption, to exercise this right in respect of such Debenture at any time before the redemption date. In the event of reconstruction of the Company (otherwise than by the increase in the amount or number of its authorized or outstanding Preference or Common Shares which the Company will reserve the right at any time to effect) or in the event of the merger or amalgamation of the Company or the sale of its assets as an entirety, the Company will be entitled, on not less than sixty days' notice, given as provided in the Trust Deed, to terminate this share purchase right but the right may be exercised at any time prior to such termination.

For detailed information we refer to the circular containing letter from L. O. P. Walsh, President (to be elected), which has been summarized in part as follows:

The Company

Dominion Tar & Chemical Company, Limited, (new Company) will be incorporated under the laws of the Dominion of Canada and will acquire the entire assets, business and undertaking of the present company of the same name, including its investments in subsidiary and associated companies. The new Company will then own more than 84% of the outstanding capital stock of Canada Creosoting Company, Limited, (over 16.5% of which has recently been acquired by the old company); and 74% of the outstanding capital stock of Alexander Murray & Company, Limited. Over 45% of the outstanding common shares of Alberta Wood Preserving Company, Limited, have recently been acquired by Canada Creosoting Company, Limited; the latter company also owns more than 85% of the outstanding capital stock of Vancouver Creosoting Company, Limited.

Nature of Business

The business of Dominion Tar & Chemical Company, Limited, (old company) has been in continuous and successful operation for more than twenty-five years. Operations include the distillation of tar and the sale of its by-products—creosote, briquetting pitch, carbon pitch, road tar, etc. Raw material is purchased under contract from leading public utility and industrial companies, including The Steel Company of Canada, Limited; Montreal Coke & Manufacturing Company; Consumers' Gas Company of Toronto; Dominion Iron & Steel Company, Limited; Algoma Steel Corporation, Limited; and Winnipeg Electric Railway Company.

The Company and its subsidiaries will control substantially all of the creosoting industry in the Dominion of Canada. Operations include the creosoting of railway ties, piles, poles, bridge timber, wood blocks and other lumber, the business having entered into contracts with the Canadian National Railway Company; Canadian Pacific Railway Company; Toronto, Hamilton and Buffalo Railway Company; Algoma Eastern Railway Company; and the Napier Junction Railway Company.

Alexander Murray & Company, Limited, distributes a complete range of building materials, including tarred felts, sheathings, prepared roofing, insulating boards, slate, etc.

Earnings

Messrs. Price, Waterhouse & Company, Chartered Accountants, have examined the books of Dominion Tar & Chemical Company, Limited, (old company) and its subsidiaries for the three years and eleven months ended November 30th, 1928, and their report shows that net earnings (after all operating expenses and after elimination of earnings applicable to minority shares of subsidiaries outstanding in the hands of the public), available for interest on these Debentures and depreciation were as follows:

Year ended December 31st, 1925	$ 957,082
Year ended December 31st, 1926	1,184,183
Year ended December 31st, 1927	1,326,180

Based on corresponding net earnings for the eleven months ended November 30th, 1928, as reported by Messrs. Price, Waterhouse & Company, Chartered Accountants, officials of the old company estimate that net earnings for the year ended December 31st, 1928, after deduction of depreciation and after giving effect to London Office expenses, now eliminated, available for interest on this issue of Debentures, will be not less than $1,036,779, or over 4 times annual Debenture interest requirements of $240,000.

Assets

Land, plants, buildings and equipment, including those of subsidiaries, have been examined by Ford, Bacon & Davis, Inc., Engineers, New York, who, in their certificate of January 10th, 1929, have appraised the commercial value of the properties and businesses, including working capital, at not less than $9,000,000 after deducting minority stock interests.

Working Capital

According to the Consolidated Balance Sheet of the Company and its subsidiaries as of November 30th, 1928, certified by Messrs. Price, Waterhouse & Company, Chartered Accountants, combined net current assets of the Company and its subsidiaries, after deduction of all current liabilities, amounted to $1,723,697.

Debenture Issue

The Debentures will constitute the only funded debt of the Company and its subsidiaries. The Debentures will be a direct obligation of the new Company and will be secured by Trust Deed constituting a specific first mortgage and charge on all the Company's lands and on buildings, machinery and equipment appurtenant thereto and on the above-mentioned shares of Canada Creosoting Company, Limited, and of Alexander Murray & Company, Limited. The Company will covenant that it will neither authorize nor permit the issue, except to the Company itself, of any bonds, mortgages or debentures of any such subsidiary company. All the assets of the Company not embraced in the first specific charges will be covered by a first floating charge. The specific and floating charges will cover all of the Company's interest in future acquired assets.

The total amount of Debentures which will be issuable under the Trust Deed, for the purposes and under the restrictions therein provided, is $7,500,000 or its equivalent in Sterling at the rate of $4.86 2/3 to £1 Sterling.

We offer these Debentures, subject to prior sale, for delivery, if as and when issued and accepted by us and subject to approval of counsel, at

Price: 100 and Interest, Yielding 6%

Wood, Gundy & Co. Limited **Greenshields & Co.**

The information contained in this advertisement is based upon statements and statistics on which we have relied in the purchase of these Debentures. We do not guarantee, but believe the statements herein made to be true.

FORD OF CANADA LOSES $4,000,000 IN FISCAL YEAR

(Continued from page 15)

other authorities, denies all rumors. It is stated definitely that the Ford family has not been a buyer of the stock and that no rearrangement of the capital structure has been considered.

Mr. Campbell's statement follows:

"Reports have gone around from a variety of sources that the Canadian Ford Company earned a profit of $5,000,000 in 1928. As a matter of fact we shall have a deficit of approximately $4,000,000. All the figures are not yet available but there is little doubt that the loss will reach that figure. In spite of this situation our stock closed at $725 yesterday and opened this morning at $825. All this wild trading is due, of course, to the spread of fictitious stories concerning the company's operations and I cannot say too strongly how much we are opposed to this sort of thing.

"People wil buy stock at $825 and expect us to earn dividends on a valuation of this kind. Let me say for the benefit of the public that our financial position does not warrant this assumption.

"I would call attention also, to the many rumors in circulation as to the possible issues of new stock. I understand that on the New York curb market Ford stock is being offered if, as and when issued. The directors of the company have never at any time considered such a move. If anything the issuance of stock of the Ford Motor Co. of England has given rise to this idea.

"I give positive denial also, to the rumor that Henry Ford and members of his family are trying to acquire all the stock of the Canadian company. We have approximately 5,000 shareholders at present and Mr. Ford has made no move of any kind to acquire the holdings of those who are interested with him in the company. As a matter of fact it is several years since any member of the Ford family purchased a share of Ford stock. Our books show this. I suppose this rumor has been responsible, in no small measure, for the extensive trading in Ford of Canada.

"My only purpose in issuing this statement is to set the public right on the matter. Buyers and sellers of Ford stock should be governed accordingly, so that the stock may find its proper level. If anything were needed to show that the present speculation is unwarranted let investors consider the fact that the company's surplus has been impaired to the extent of approximately $60 per share by the losses incurred in 1928. As a matter of fact the company lost approximately as much last year as it ever made in its biggest profit-making year. And as I have said, there is no prospect of a dividend in 1929, although we naturally expect to improve our position.

WAVE LENGTHS CHAOS HALTS INVESTMENT IN RADIO STATIONS

(Continued from page 15)

nine but perhaps ten-tenths of the law. Therefore the Canadian government, in dealing with Washington, has disregarded entirely the broadcasting needs of the moment and has kept in mind constantly that an agreement to-day may be binding upon the Dominion 200 years hence.

Offer Ten-Year Agreement

The Canadian government has gone thus far: It has offered to enter into a ten year agreement with the United States government whereby Canada should receive 16 exclusive wave lengths and a large number of part time or shared wave lengths, leaving the balance to the United States. But the Washington government has dismissed such a proposal as interesting but impossible and so Canada is left with six exclusive wave lengths. Repeated international discussions fail to show any sign of an understanding and so the wave length controversy is drifting slowly but surely toward chaos.

There are one or two points here upon which there is widespread misunderstanding in the public mind. The first is that the Canadian government has bowed the knee to Washington and that broadcasting in Canada already is under the real if not nominal control of the United States Radio Commission. Nothing could be further removed from the truth. The fact is that rather than place the Dominion in a position of inferiority, the Dominion government has declined to enter into any agreement which left Canada without an adequate number of wave lengths and in consequence the sovereign power of the Dominion to use all and every wave length known to science is complete and unimpaired and could be exercised at any time. There is absolutely no agreement or understanding in existence which would prevent the Canadian government from authorizing the broadcasting of radio programmes on all the wave lengths and in so doing, of ruining radio reception on the whole North American continent.

Private Capital is Chary

And so the problem stands to-day. It is somewhat difficult to see the outcome. That a crisis has not been reached before this is due entirely to the fact that radio development in Canada is proceeding slowly and has been temporarily halted by the appointment recently of a Federal Radio Commission, which will carry out an investigation and recommend a national policy in regard to broadcasting. It may be that this commission will advise the nationalization of the radio in Canada. At any rate private capital seems chary, at the moment, of entering the field, although it is certain that if the commission decides that private ownership and operation should be continued there will be several high powered stations erected immediately.

As to the future, the course which the Canadian government will follow is clear. This Dominion now has six exclusive wave lengths; the United States declines to vacate other wave lengths, so that these may be enjoyed exclusively by Canada. What will happen if a new and powerful station is built in Canada, and a demand for a wave length is sent to Ottawa? The answer is found in the experience of the Manitoba government station. Here a 500 watt station was replaced by one of 5,000 watts. There were no more exclusive wave lengths; the United States would not yield. So the Canadian government merely allocated a wave length to the Manitoba station and said, "Go to it." Curiously enough, no complaints of interference from United States stations using the same wave length have been received, but they are expected. And there will be no receding from the position unless the United States clears a wave length and surrenders it to Canada in order to bring to an end the radio chaos in the north central States of the Union.

In many respects the controversy with the United States has been interesting. Washington has insisted upon a division of wave lengths according to population— which would give 12 wave lengths to the United States for every one possessed by this Dominion. The Canadian government has challenged the whole basis of such a settlement. Population, obviously, has nothing whatever to do with radio broadcasting and the chief proof of this is that the United States Radio Commission, in allocating wave lengths among the various States have expressly departed from the population theory. Otherwise it would follow that huge cities like New York and Chicago would need many stations while thinly populated areas would need none. The actual policy followed has been to spread the stations over the country so that interference is reduced to a minimum and every citizen may be able to "listen in."

The division, then, has been on a geographical basis. Area has been a vital consideration and there, of course, Canada has at least equal claims to wave lengths with the Republic, being, in extent, the larger country.

The advantage to Canada in having a large number of stations is quite patent. It will enable an enormous radio broadcasting industry to be built up and large United States industries will be compelled to use Canadian stations, thus greatly augmenting the revenues of these stations. It is notable that at the present time much Canadian advertising is put on the air from the New York N. B. C. stations. Moreover the advantage of being able to advertise Canada in the United States would be of vital importance to the tourist trade.

Still more important, perhaps, is the desirability of putting Canadian rather than American ideas on the air and it must not be forgotten that if Canadian magazines and newspapers have but a small circulation in the United States, the radio messages might reach many millions.

With a proper division of wave lengths all these ends could be accomplished without interfering with the larger United States stations whose programmes are widely listened to in Canada.

Failing a just and reasonable division of these wave lengths, the future holds little but trouble for the radio industry generally. Unquestionably the Canadian government will give wave lengths to new stations as they are constructed and if these wave lengths are not exclusive, that is the fault of the United States government which has declined to deal justly with Canada in this matter.

The Bell Telephone Company *and* The Northern Electric

THE relationship between the Bell Telephone Company and the Northern Electric Company is direct and definite. It consists of:

1. ownership—the telephone company controls the Northern Electric by owning 51 per cent of Northern Electric shares.
2. contract —The telephone company has a contract with the Northern Electric by which the latter sells equipment to the telephone company at favorable prices.

This relationship has come about in five gradual stages, as follows:

1. the factory department of the telephone company;
2. the old Northern Electric and Manufacturing Company;
3. the Western Electric alliance;
4. the Wire and Cable Company;
5. the present Northern Electric Company.

Each of these stages now will be explained.

The Purpose of the Bill

THE Bell Telephone Company is bringing before parliament a Bill which is in the public interest. The Bill would allow the company to seek new capital from investors. The new capital is for extension of the telephone system.

A previous advertisement has fully described this situation. This advertisement is to state in detail the relationship between the telephone company and its chief source of supplies, the Northern Electric Company.

the first two stages

WHEN the telephone company started in 1880 it found that it was in for rapid growth and that one of its problems was going to be the securing of proper new equipment.

At that time there were no companies in Canada manufacturing telephone equipment. So the telephone company set up its own factory and repair department. By 1895 the factory department had $100,000 of plant.

This $100,000 plant was turning out good equipment but its costs of production were high, due to the fact that it was engaged in manufacturing only for the telephone company and thus was idle part of the time.

To round out production a separate company was organized called the Northern Electric and Manufacturing Company from which the present Northern Electric took its name. All its shares were owned by the telephone company except five shares sold as qualifying shares to each of the seven directors.

the third stage

THE manufacture of other products reduced costs but there were still difficulties due to the fact that the telephone was in a state of constant change. Factory planning and methods were, therefore, vital factors.

The outstanding leader in this field was the Western Electric Company which was, and is, the manufacturing end of the Bell system in the United States. It had developed processes and methods which were indispensable.

Finally the Bell Telephone Company decided to secure the Western Electric as a partner in its manufacturing business.

This was accomplished in 1906 by the Northern Electric and Manufacturing Company selling 2,000 shares of treasury stock to the Western Electric Company. This gave the Western Electric a 40 per cent interest in the enterprise, while the Bell Telephone Company retained control with 55.8 per cent of the shares. The directors' shares represented the remaining 4.2 per cent of the stock.

The 2,000 shares purchased by the Western Electric in 1906 were paid for in cash at $200 a share. In 1911 the Western Electric purchased an additional 520 shares from the Bell Telephone Company and again paid cash at $200 a share. It has taken up its proportion of new stock issued to raise new capital at the issue price of $100 a share.

This relieved the telephone company of carrying the entire risk of a manufacturing business while permitting it to retain control of its chief source of supplies.

the fourth stage

THE telephone company, back in the eighties, also found that it required increasing quantities of copper wire and cable.

It bought wire from various sources until 1899 when there came an opportunity to buy the machinery and patents of a good wire concern in Montreal. The telephone company reorganized this as the Wire and Cable Company later named the Imperial Wire and Cable Company.

In this case the Western Electric Company was secured at the start as a partner, holding 40 per cent of the outstanding shares, while the telephone company retained control with the remainder.

The object here was to secure the Western Electric's method of making paper insulated cable which, up to this time, had not been produced in Canada.

The Western Electric Company in common with all other shareholders paid cash at par value ($100) for the initial shares of the Wire and Cable Company. Its later subscriptions have also been at par value except for the purchase of 200 shares in 1911 when it paid cash at $200 a share.

the fifth stage

THE Northern Electric and Manufacturing Company and the Imperial Wire and Cable Company were operating as separate concerns.

It was inevitable, for economy and efficiency, that they should be brought together. This was done in 1914 in the incorporation of the present Northern Electric Company.

In this the telephone company and the Western Electric retained the proportion of ownership which they had held in the separate companies. Today the shares of the Northern Electric Company are owned as follows:—

by the Bell Telephone Company	50.9 per cent
by the Western Electric Company	43.6 per cent
by directors, other individuals and estates	5.5 per cent

In the last mentioned group there are 32 individual holdings of shares.

what this relation means

THE telephone company thus has direct control of its supply of both apparatus and cable. Without control there would be constant risk of being forced to pay high prices for apparatus or of being unable to secure a consistent standard of equipment.

If either of these conditions prevailed the result would be higher rates or poor service for telephone users.

Apart from this there are two definite results secured:

1. revenues—51 per cent of all dividends paid by the Northern Electric on its total business come back into the revenues of the telephone company.
2. prices —the telephone system gets its equipment at the Northern Electric's lowest prices, with the Northern Electric selling to other telephone systems in open competition.

1. revenues from dividends

THE Northern Electric Company, from its start as the small factory department of the telephone company, has developed to an outstanding Canadian success.

It now employs over 4,900 persons, and does business throughout Canada and in foreign countries in competition with the world.

In 1928 the Northern Electric's total business was over $25,000,000 which is four times the business done in 1914.

Of the $25,000,000, 48 per cent was in sales to the Bell Telephone Company; 11 per cent was in sales to other telephone systems and 41 per cent was in general electrical equipment sold to other customers, both domestic and export.

In all this total of success, year by year, the Bell Telephone Company has participated as the majority shareholder.

During the fifteen years since it was incorporated in 1914, the Northern Electric has paid to the telephone company in dividends over two-and-a-half million dollars.

These dividends go directly into the revenues of the telephone company and have contributed to the operation of the system in place of equal sums which telephone users otherwise would be called upon to pay in rates for telephone service.

In its fifteen years of operation the dividends paid by the Northern Electric represent an average annual return of only 5.7 per cent on the capital stock.

The Bell Telephone Company, as the majority shareholder, might have insisted that larger dividends be paid, but the conservative dividend policy of the Northern Electric has been dictated entirely for the benefit of the telephone system in another form.

To provide for expansion of the Northern Electric the amount of money invested in the business has been practically doubled since 1914. All this new money has come from the company's surplus earnings which instead of being distributed in dividends to shareholders have been put back into the business.

If earnings had not been put back into the business, the new capital required for expansion must have come largely from the telephone company as majority shareholder.

The policy has been that, so long as the Northern Electric could finance its own requirements for expansion, the telephone company should not be called upon to provide funds for that purpose.

2. low prices by contract

THE contract which the Bell Telephone Company has with the Northern Electric stipulates that the prices the Bell Telephone Company pays for equipment shall be as low as, or lower than, the lowest prices paid to the Northern Electric by its other customers for similar equipment.

The other customers of the Northern Electric include every telephone system of importance in Canada. The Northern Electric supplies the greater part of their equipment. All this business has been obtained in open competition with British and American manufacturers.

It is the lowest price level of this competitive business which governs the prices paid by the Bell Telephone Company.

In order to assure itself that the Northern Electric is fulfilling the price obligations stipulated in the contract the Bell Telephone Company maintains an accounting staff in the Northern Electric offices in Montreal.

This accounting staff has access to all the Northern Electric's sales records and checks prices charged to the Bell Telephone Company with prices charged to other customers.

The Board of Railway Commissioners in 1926 made a detailed inquiry into these prices.

The evidence demonstrated beyond contradiction that the prices paid by the Bell Telephone Company to the Northern Electric were lower than the prices paid by other customers and lower than the Bell Telephone Company could obtain from other manufacturers, and the judgement of the Board of Railway Commissioners in 1927 stated:

> **"—the agreement and the supplementary agreement which govern their relations are distinctly advantageous to the Bell Telephone Company."**

two proofs of the results

QUITE apart from considering dividends or prices there are two sure ways of finding out whether this relation has produced good results or bad.

These are to examine what the telephone company has spent in building the system and what the subscriber now has to pay to use it.

If the system has been built economically, and if rates are moderate, it must be true that the prices paid by the telephone company for its equipment and supplies have been low.

1. cost of building system

HERE are figures from the last published annual reports to show what the telephone company has spent to build the system in Ontario and Quebec as compared with other systems in Canada, the United States, England and Brazil.

Some of these other systems are operated by governments and some are private companies. It must be recognized that the conditions of operation are very different. Some are easier; some are more difficult.

But over so wide a range of comparison, and taking an average of all conditions, the figures tell the story.

System	Number of Telephones	Capital cost per telephone
1. government system in Great Britain	1,511,585	$307
2. government systems in Manitoba, Sask., and Alberta	161,351	$294
3. Brazil	83,677	$248
4. all companies of Bell system in United States	13,726,000	$221
5. Bell Telephone Co. in Ontario and Quebec	668,383	$189
6. companies in B.C. and the Maritimes	160,515	$157

The average cost per telephone of all the other systems, according to their annual reports, has been $227. The cost per telephone of the system Ontario and Quebec has been $189.

2. rates paid by users

THE rates which telephone users pay in Ontario and Quebec are the lowest in the world for comparable service.

Without making specific comparisons the fact may be stated that throughout Ontario and Quebec, especially in the larger cities, telephone users are getting service at substantially lower rates than those paid in corresponding cities across the border.

And the rates paid in Ontario and Quebec are lower than those charged in other provinces of Canada.

This has been officially stated in the report of the Board of Railway Commissioners following their investigation of the subject in 1926.

The Commissioners stated that while comparisons of rates are not always conclusive, it was apparent that the rates charged in Ontario and Quebec are more reasonable than those charged in other provinces for comparable service.

In cost of using, as well as in cost of building, it is apparent that the telephone company's relation with the Northern Electric has worked to the definite advantage of the system and its subscribers.

further investigation

DETAILS of the Northern Electric Company's operations in so far as they relate to the telephone system have been examined several times by the Board of Railway Commissioners and are available whenever required.

But the suggestion has been made that, in addition to such related details, all the affairs of the Northern Electric Company should be opened to investigation, with the inevitable result that the information thus secured would become common property.

This would mean that the Northern Electric Company, alone of all manufacturers in Canada, would be obliged to disclose, for the benefit of competitors, details of production methods, costs and administration which have no relation whatever to the telephone system.

It would be a discrimination without precedent in any country.

The position of the Bell Telephone Company in this respect was stated by the president in a letter which was widely published last June. There has been no change in this position, which was stated as follows:—

"It does not seem reasonable that the Northern Electric Company should be singled out for public disclosure of its affairs unrelated to Bell Telephone business. If the Railway Board feels that further enquiry into the Bell Telephone side of the Northern Electric Company's business is necessary in order to determine the fairness of this company's rates then we offer no objection."

THE BELL TELEPHONE COMPANY OF CANADA

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NATIONAL BRICK PREFERRED HAVE FARED VERY WELL

In Capital Reconstruction Senior Stockholders Rights Considered

From Our Own Correspondent

MONTREAL.—Unlike many capital reconstructions which have taken place in recent years, the preferred shareholders of the National Brick Company of La Prairie, appear to have received a very satisfactory offer from the management. One of the reasons why the preferred stockholders are to receive all to which they are entitled in the forthcoming capital reorganization lies in the fact that the preferred shareholders have the right to appoint the majority of the directors. The proposed recapitalization has already met with the approval of over 50 per cent. of both the preferred and common shareholders of the company.

The revamping of the capital structure has been proposed and will be carried out as the management feels that there is no possibility of the company being able to liquidate in the near future the arrears of interest on the preferred stock, amounting now almost to 25 per cent., or $834,900.

New Capital Structure

The new capital structure includes a bond issue, the proceeds of which will be used to make the cash payment to the preferred shareholders, and to discharge the $100,000 mortgage on the property. In addition, the company's present $750,000 bond issue will be cancelled. These bonds are not outstanding, but in the past have been used from time to time as collateral for bank loans.

When the plan has been ratified and put into effect, the present preferred shareholders will own all the outstanding preferred of the new capitalization, together with about three quarters of the outstanding common stock. In addition, the preferred will receive a cash payment of $40 a share.

In exchange for their present holdings of 7 per cent. cumulative preferred, plus arrears, each holder of one preferred share will receive one new $50, 6 per cent. cumulative preferred; $40 in cash, and one half share of new common stock. The present common shareholders will receive one new no par value share for every five shares now held.

The following comparison of capitalizations shows clearly how the shareholders will fare in the forthcoming capital reconstruction of the company:

Present Outstanding Capitalization

Mortgage on property	$ 100,000
7% preferred, 33,396 shares, $100 par value	3,339,600
Common, 20,000 shares, $100 par value	2,000,000

Proposed Capitalization

	Authorized	Outstanding
6%, 20 year, 1st mortgage bonds	$2,000,000	$1,600,000
6%, $50 par value preferred, 33,396 shares	1,750,000	1669,800
Common, n.p.v.	26,000 shs.	20,698 shs.

What preferred shareholders obtain in the exchange:

33,396 shares of 6%, $50 par value preferred	$1,669,800
$40 in cash for every share	1,335,840
16,698 common shares of n.p.v. ..	16,698 shs.

Common shareholders obtain 4,000 new common shares.

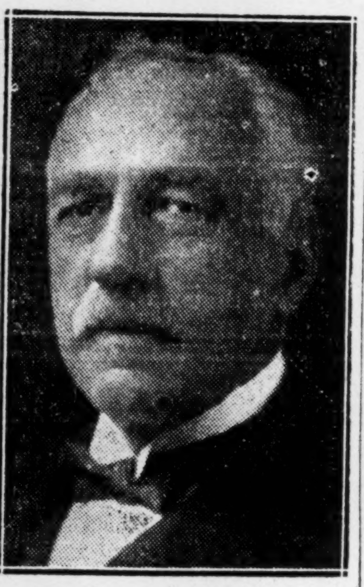
In some quarters, it is felt that in view of the capital reorganization of the company, the present preferred shares should sell higher than their present level. On the other hand, the market record of the company has not been such as to create any real demand for its securities, despite the fact that the outlook now seems to have been materially improved. Earnings during the past year are said to have been at the rate of $2.50 on the new common.

Touching the value of the present preferred shares, Matthewson, McLennan and Molson, members of the Montreal Stock Exchange, say in their weekly letter that, valuing the new preferred at $40 a share and basing the new common on the current price of $8 for the old, present preferred shares should be worth about $100, made up by $40 in cash, $40 for the new preferred, and $20 for the half share of new common. On February 12 the shareholders meet to approve the change in the capital structure of the company.

N. B. Helps Settlers

One hundred British families were placed on farms in New Brunswick in 1928 under the assisted settlement plan which completes the quota for that year. The scheme is being continued until 500 families have been located in this province. The farms are provided by the New Brunswick government. Loans up to £300 are made by the British government and the settlement arrangements are under the supervision of the Dominion government. Re-payments extend over 28 years with interest at 5 per cent. per annum.

Vice-President



HON. S. C. MEWBURN.
Ex-Minister of Militia and National Defence, elected vice-president of the Huron & Erie Mortgage Corporation.

TORONTO MORT. AGAIN REPORTS RECORD PROFIT

Growth of Canadian Debentures Is Notable Feature of Year

Toronto Mortgage Co., again reports highest net earnings in its history, the total being $112,628, which is 15.5 per cent. on the paid-up capital of $724,550, compared with $111,537, or 15.4 per cent. for the year 1927. The company's dividend rate was increased to 12 per cent. per annum (the stock is $50 par) in April, 1928.

Reserve fund remains at $850,000. This sum, with the surplus of $75,151, amounts to 127½ per cent., of the paid up capital. Owing to there being no appropriation in 1928 for the reserve fund, the amount carried forward as surplus is somewhat larger than normal, the previous surplus having been $49,469.

Canadian Debentures Grow

For the 22nd year in succession, the company entered 1929 with no real estate on hand for sale, through default or otherwise, and more than 99 per cent. of the year's gross revenue had been collected in cash prior to December 31.

A notable change is the growth in the debentures issued in this country. These now total $538,400, compared with $354,267 in 1927 and $284,468 in 1926. Sterling debentures also are growing, but more slowly. The total at the end of 1928 was $1,560,235, compared with $1,542,497 in 1927 and $1,525,220 at the end of 1926.

Mortgages Added

Mortgages outstanding have increased, indicating a substantial growth in this main branch of the company's activities. The total at the end of 1928 was $3,150,169, after making provision for possible depreciation from the face values. This compares with $2,708,831, at the end of 1927 and $2,336,540 at the end of 1926. Other investments, including Dominion government bonds, the company's office building, and also cash, bring the total assets to $3,895,060, compared with $3,655,900, a year ago and $3,552,130, the previous year. The company's office building is carried on the books at the conservative figure of $45,000.

Rate of Earnings

Year	Paid-up Capital	Profits	Earned %	Dividend
1915	$724,550	$93,038	13.0	8
1916	724,550	95,140	13.1	8
1917	724,550	90,822	12.6	8
1918	724,550	89,542	12.4	8
1919	724,550	90,173	12.5	8+1
1920	724,550	93,386	12.9	9
1921	724,550	91,396	12.7	9
1922	724,550	88,286	12.2	10
1923	724,550	91,618	12.7	10
1924	724,550	99,860	13.8	10+1
1925	724,550	95,659	13.3	10+1
1926	724,550	112,447	15.6	10+1
1927	724,550	111,537	15.4	10+1
1928	724,550	112,628	15.5	12

THE
WINNIPEG MERCANTILE
TRUST COMPANY
EXECUTOR, ADMINISTRATOR, TRUSTEE
A. P. Cameron, Manager
431 MAIN ST., WINNIPEG

FLOUR CHEAPER, OFF-SETTING CUT IN BREAD PRICE

War Still on in Toronto But Reductions Elsewhere Likely

Cut of 1 per cent. per loaf in the price of bread in Toronto recently, is not expected to result in a drop in earnings of baking companies operating in that territory for the reason that flour is 80 cents per barrel cheaper than it was a year ago, because sugar is down 65 cents per hundredweight, and because other ingredients, including raisins, also are lower.

So far, the bread war does not seem to have extended beyond Toronto, so that Canada Bread and Northern Bakeries, operating plants in Montreal, Hamilton, London, Windsor, Peterborough, Brantford and other places, find their gross revenues only partially affected. However, it is believed that bread prices will be reduced in all, or nearly all, centres before long.

Reduction in bread prices is believed to have been inevitable. It was merely left to Mark Bredin, former president and general manager of Canada Bread, who has started his own business in Toronto, to fire the opening gun. Followed as it was by reductions by both Canada Bread and Ideal Bread (Northern Bakeries,) the effect on the sales of these two latter companies may not have been serious. Mr. Bredin's plant has a capacity in excess of 150,000 loaves per week. This is but a fraction of the capacity of the various Canada Bread and Ideal plants, but nevertheless, sales of that number of loaves in Toronto would be noticeable in the volume of business of his two big competitors. It has not been revealed whether the Bredin plant is being operated to capacity at present.

In so far as sales to the housewife are concerned, prices of fancy loaves and bakers' cakes have been reduced to correspond with the ten-cent price of the ordinary 24-ounce loaf of white bread. Ideal Bread sells large quantities of cakes to retail stores, also, but it is reported that the wholesale prices so far, have not been affected materially.

Pool Elevators Increase

Saskatchewan Pool Elevators have now in operation 948 country elevators which have handled since last harvest an average of 122,000 bushels of all grains per elevator, the total receipts as at the middle of December, 1928, being approximately 115,000,000 bushels.

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OTTAWA a $200,000,000 Market

CARLETON County, of whose 28,000 houses about 26,000 are situated within 30 minutes street car ride of the centre of Ottawa City, is credited with a purchasing power of $125,000,000 a year. The city of Hull and the great lumber, farming and mining industries outside of Carleton County add another $75,000,000 or more.

$2,000,000,000 annual bank clearings

Ottawa's annual bank clearings are three times that of Hamilton and nearly three times that of Quebec, which have practically the same population—and 25% more than Vancouver which has more than double the population of Ottawa.

13 Railway lines radiate from Ottawa

This is nearly as many as in Toronto, and more than in Vancouver, Hamilton or Quebec. Ottawa is admirably situated on the main transcontinental railways. Her railroads also provide easy access to the great pulp and paper industries.

Ottawa's railway population is an important item in this market, with an annual payroll of $4,000,000.

Ottawa's consumption of electricity exceeds other cities of equal size.

Ottawa uses 6% more electric power than Hamilton and 30% more than Quebec City—cities of equal size.

"Every house is wired" is a statement frequently heard in Ottawa, and it is evident that this statement cannot be far from the truth.

One out of every 10 people in Ottawa owns a car

Over 12,000 automobiles were registered in Ottawa in 1928, or more than one for every ten people.

This gives a fair indication of the wealth of the capital city.

In addition to the city, with its population of 135,000, Ottawa is the distributing centre for the Ottawa and Gatineau valleys with a population on farms, in towns and villages of 375,000 (exclusive of Ottawa).

In this rapidly expanding market The Citizen shows a consistent increase each year both in circulation and advertising lineage.

During 1928 The Citizen carried 2,651,063 lines of National Advertising. Compared with corresponding periods of previous years this was a gain of 12 per cent over 1927, 29 per cent over 1926 and 50 per cent over 1925. Incidentally, during 1928, The Citizen refused 408,644 lines of advertising that was considered undesirable.

Branch Offices for Convenience of National Advertisers:
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C.N.R. General Offices, 360 McGill Street, Montreal, P.Q.

DOMINION BANK SHOWS GROWTH IN LATEST YEAR

Every Department Reports Improvement in 1928 Over 1927

ASSETS UP $11,000,000

Call Loans Reduced in Canada While Similar Funds in New York Are Somewhat Higher

Net earnings of the Dominion Bank for the year ended December 31, 1928, were $1,408,088, compared with $1,328,496 in 1927 and $1,250,276 in 1926. The statement just mailed to shareholders also shows growth in every branch of the bank's business. Cash assets equal 24.24 per cent. of the total liabilities to the public. Immediately available assets total $77,470,000, or 58.21 per cent. of liabilities to the public. Total assets are $152,805,147, compared with $141,482,753 a year ago, a growth of more than $11,000,000.

Demand deposits are up from $21,857,657 to $25,977,881. Savings deposits likewise have grown, from $86,899,263 to $89,462,706. Current loans increased from $59,235,617 to $62,667,815. Call loans in Canada show a reduction, from $15,688,105 to $14,439,122, while call loans abroad show an increase from $5,886,431 to $8,066,304.

Write Down Premises

Profit and loss account shows appropriation of $50,000 for officers' pension fund, $176,326 for government taxes and $250,000 written off bank premises. Dividends and bonus required $780,000 and the profit and loss balance stands at $272,286.

Paid up capital stands at $6,000,000, on which 12 per cent. is paid in regular dividends and a one per cent. bonus. The reserve fund is $8,000,000. The advances under the Finance Act total $2,000,000. Bank premises are carried at $5,642,737. The following tables give details of the report:

Summary of Balance Sheet
Immediately Available Liquid Assets

Assets	1928	1927
	$	$
Specie	1,460,602	2,167,599
Dom. notes	10,534,537	9,655,062
Note circ. d.	314,650	314,650
Call. l. abr.	8,066,304	5,886,431
Bank bal.	4,524,081	3,479,982
Cheques	12,068,784	8,046,539
Gov. secur.	16,755,040	14,970,048
Gold reserves	2,300,000	1,900,000
Notes, bank	1,140,115	1,251,590
Foreign curr.	232,215	151,313
	57,396,328	47,823,214
% total assets	37.5	33.7
% total liab. to pub.	41.5	37.6
Other Assets		
Public sec.	3,843,959	4,313,374
Other secur.	2,105,631	2,266,311
Call loans	14,439,122	15,688,105
Current	62,667,815	59,235,617
Elsewhere	1,185,819	1,428,766
Non-current	66,799	181,569
Premises	5,642,737	5,531,631
Let. of cred.	5,205,378	4,740,097
Mortgages	32,506	31,297
Real estate	5,520	35,545
Other assets	213,533	207,227
	95,408,819	93,659,539
Total	152,805,147	141,482,753

Liabilities

Liabilities to Public	$	$
Circulation	8,207,237	7,844,817
Demand dep.	25,877,881	21,857,657
Savings dep.	89,462,706	86,899,263
Due banks	4,514,865	2,199,988
Due else.	2,462,794	2,924,818
Let. of cred.	5,205,378	4,740,097
Bills payable	90,717	17,568
Other liabs.	467,901	635,915
Advances	2,000,000	......
	138,289,479	127,120,123
Liabilities to Shareholders		
Capital	6,000,000	6,000,000
Reserve	8,000,000	8,000,000
Dividends	243,381	242,106
Balance	272,287	120,524
	14,515,663	14,362,630
Total	152,805,147	141,482,753

INCOME AND SURPLUS ACCOUNT
Years Ending Dec. 31

	1928	1927
	$	$
Profits	1,408,088	1,328,496
Pension	50,000	45,000
Govt. taxes	176,326	165,527
Premises	250,000	250,000
	476,326	400,527
	931,762	867,969
Dividends	720,000	720,000
Bonus	60,000	60,000
Balance	151,765	87,969
Prev. balance	120,524	1,032,255
To res. fund	......	1,000,000
P. & L. balance	272,286	120,524

Increased Lumber Output

An increase of ten per cent. in all lines of lumber production is forecast in preliminary estimates by the provincial forestry service. Lumber prices are slightly higher this year, but with a general decline in pulp prices it is somewhat difficult to determine how the actual value of the crop will compare with preceding years, it is pointed out. In 1927 the value reached a figure of $83,000,000, or $1,802,000 less than the record production of 1926. Figures to hand for this season are based on log sales for the first ten months of 1928 and it is reasonable to expect an increase of 8 to 10 per cent. over last year's values.

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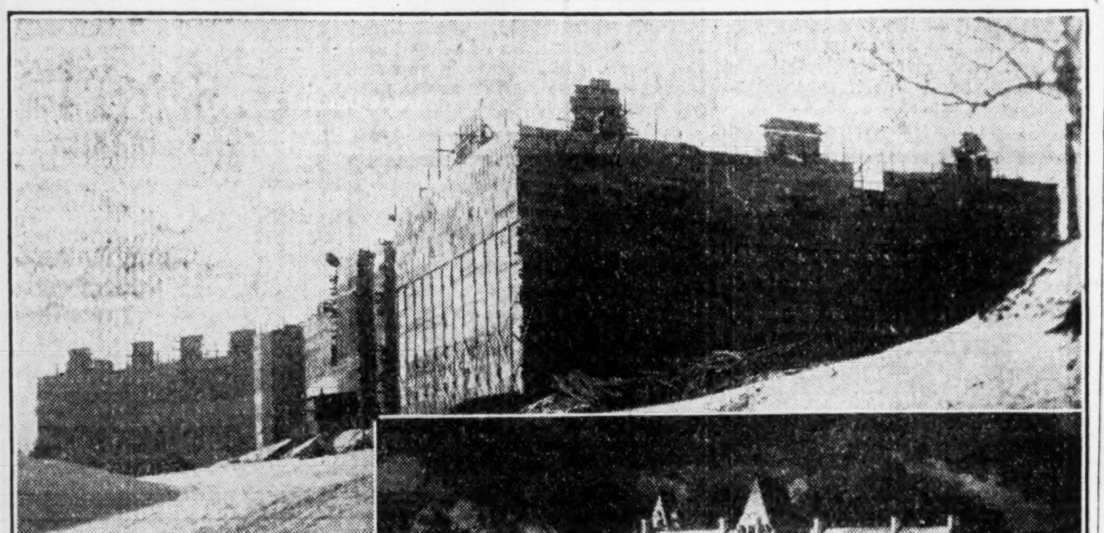
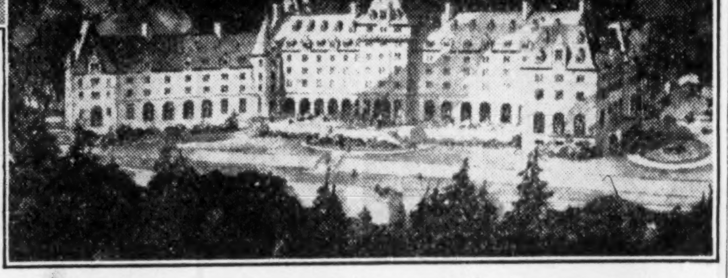
Winter No Bar to Manoir Richelieu Construction





The old Manoir Richelieu at Murray Bay, P.Q., was destroyed by fire on September 12. Within three weeks plans were announced by Canada Steamships Lines for a new hotel and five hundred men were at work. By January 1 the roof bolts were in place and on June 15 the hotel is to be opened with accommodation for 600 guests. The building is being erected completely under a great wooden shell as protection against the winter weather of the lower St. Lawrence.

SAY MACHINES WILL INTRODUCE HEMP INDUSTRY

Expensive Hand Labor Replaced; Boon to Canada, Is Claim

Hemp and flax culture in Canada may come in for a stimulation through the operations of a fibre-producing machine, known as the World Fibre Machine. These machines are scheduled to begin their first operations in Canada this year.

In 1927 Canada imported over $23,000,000 worth of rough fibres, and over $183,000,000 worth of textile goods. It is estimated that about 70 per cent. of this amount of fibre requisites could be grown and manufactured in Canada.

Is Hardy Plant

Hemp is the ideal farm plant for fibre purposes, it is a hardy plant with few hazards. Hemp has been cultivated for fibre for centuries in various parts of the world. Russia was the great hemp-fibre country until the industrial collapse that followed the war and revolution. Italy is a large exporter of hemp-fibre. Millions of fertile acres are available in Canada for fibre culture. The Dominion department of agriculture has made hemp tests in Canada over a period of years. Hemp culture is being encouraged by the Canadian National and the Canadian Pacific. It has been thoroughly proven that Canadian soil and climate produce excellent crops of hemp.

Until recently the chief obstacle to Canada's development of hemp and flax for fibre has been the lack of a satisfactory machine to free the outer fibre from the woody portion of the stalk.

High Speed Machine

Breaking the hemp has been done by hand labor, and by crude mechanical devices for many years. Scutching, which is the operation of cleaning the wood particles from the fibre, also has been a tedious, expensive and unsatisfactory process. Both operations of "breaking" and "scutching" are performed by the World Fibre Machine.

The machine breaks hemp or flax at high speed. The fibre is produced at the rate of about 120 feet per minute. This machine with a crew of six men will do the work of about 150 men operating under the old methods of fibre production. Each machine will produce about 1,500 pounds of hemp fibre per hour. This machine works as well with flax as with hemp.

The machines are operated exclusively in Canada by the World Fibre Corporation, Toronto.

C. J. Booth Denies Report of Financing

C. J. Booth, president of J. R. Booth, Ltd., Ottawa and Hull newsprint and lumber manufacturers, writes to The Financial Post to deny that there is any truth in the report that there shortly will be public financing of J. R. Booth, Ltd., which is the most important of the remaining privately-owned newsprint producers, and is also a large lumber enterprise.

Mr. Booth points out that, while Royal Securities financed the Jackson and Booth building in Ottawa in 1922, this was a personal matter of his own, and did not concern other members of the Booth family. It had been suggested that any Booth company financing might be underwritten by Royal Securities.

It may be noticed that last week the rumor was current in New York as well as in Toronto and Montreal.

Have Picked Attractive Stocks for Coming Year

From Our Own Correspondent

MONTREAL.—The brokerage house of Kippen, Newton and Company has chosen a list of stocks which they believe are the most attractive stocks listed on Canadian markets as a hold for the coming twelve months. The list follows:

Alberta Pacific Grain Common; Bank of Montreal; Brazilian Traction; British American Oil; Brompton Pulp & Paper; Canada Steamships; Canadian Bronze; Canadian Car & Foundry; Canadian Industrial Alcohol; Cockshutt Plow; Consolidated Mining & Smelting; Dominion Bridge; Dominion Engineering; Famous Players Corp.; General Steel Wares; Imperial Tobacco Co. of Canada; Imperial Oil; International Nickel; International Petroleum; Lake Superior Corp.; Massey-Harris; Melchers Distilleries, Class "A"; Montreal Light, Heat & Power; National Steel Car; Noranda Mines; Page Hersey Tubes; Power Corp. of Canada; Royal Bank of Canada; Shawinigan Water & Power; Steel Company of Canada.

Bank Stocks Appeal to Speculator Wishing to Consolidate Gains

I have accumulated considerable profits from stock-market operations recently and now am considering consolidating my gains by switching a proportion of my funds—say about $200,000—into securities more conservative than it has been my custom to hold.

I am attracted by the stocks of Canadian chartered banks. What do you think of them from the point of view of a man who wishes a high degree of safety without sacrificing opportunities for appreciation? The matter of income from these investments is of no importance to me at this time.

It appears to us that, except from the point of view of immediate yield, investment in the larger banks is perhaps more promising than is investment in smaller banks, although we are favorably impressed with the outlook for all of the banks. Because, we presume, you would not be interested in a stock which in any degree lacks marketability, this reply will deal with only the eight bank stocks which are listed on the Toronto and Montreal exchanges.

By the larger banks, we mean the Royal, the Montreal, the Commerce and the Bank of Nova Scotia.

Further Rapid Growth

In the last several years, the Royal has been growing rapidly.

The Bank of Montreal recently appointed three or four assistants general manager, and it is apparent that the institution, for long the preeminent leader among Canadian financial institutions, will go after business as aggressively as is consistent with sound practice.

Further expansion of the Canadian Bank of Commerce has been forecast. It is possible that the bank's foreign connections and activities, already important, will be strenghened further. Possibly some countries and areas not now covered, will be opened up to this bank in an impressive manner.

The Bank of Nova Scotia remains as one of the soundest institutions. Its growth has been steady although its management has avoided anything verging on the spectacular.

The larger banks perhaps are likely to have, and further to build, hidden reserves. The statements of the smaller banks, while sound and conservative, perhaps leave less of the picture in the shadows of the background.

May be Mergers

There may be further mergers, but we do not think that any are in the wind at the present time. It is a question as to whether future mergers would mean the absorption of one of the smaller banks by a larger bank or the consolidation of two or more of the smaller institutions into one which would compare more favorably, in point of gross assets, and in the ability to finance big business, with the larger institutions.

The Dominion, the Toronto and the Imperial, we believe to be sound and growing. The question for the prospective shareholder to determine is which will grow more rapidly and whether any of these three will grow relatively at a faster rate than any of the big four.

The only other listed bank stock, is that of the Nationale. This is selling on the highest-yield basis. There is only one other French-Canadian bank (the Provinciale) and it is likely that there will always be a French-Canadian bank. In the circumstances, it would seem that a merger of the French banks would mean the survival of the Nationale, the larger of the two. The Nationale, in our opinion, is a promising investment, although it may lag behind the others in the market value of the shares, purely because of market conditions.

Will Need New Capital

In view of the probability of greatly enhanced prosperity in the next several years, it is fair to assume that the Canadian banks will increase their outstanding capitalization almost yearly. This will mean rights to shareholders, which will go a long distance toward offsetting the improbability of increases in the dividend rates.

Canadian bank stocks in general are selling on a higher yield basis than bank stocks in the United States, although in general the Canadian banks are as sound institutions as any which can be found in the United States.

Canadian bank stocks sold at their low points in 1923, at which time the Home Bank failure, was occupying the attention of everybody. The double liability clause of the Bank Act undoubtedly has been a deterrent to investment in bank stocks by Canadians. Otherwise, we believe that bank stocks would be selling at a higher figure. We think that all Canadian banks are sound at this time, and that the shares will sell at higher prices as the public realizes that the double liability clause is merely a bugaboo. Moreover, the double liability amounts to only 25 per cent. of the market price of a bank stock selling at $400.

However, even disregarding the double-liability clause, we would not suggest the placing of all, or the bulk, of one's investment capital in bank stocks. We believe that the small investor wisely may purchase any one bank stock, up to 10 per cent. of his total funds and that the large investor might employ 25 per cent. in bank investments of a diversified character.

These observations are of a good general nature, but should be useful if considered in relation to the available statistics. The monthly bank statement contains most, probably all, of the salient figures. The bank statement for November was published in The Financial Post on November 11.

Canada's Trade Future

Editor, The Financial Post:

The recent brief address by Sir Herbert Holt to the shareholders of the Royal Bank should command the attention of every Canadian who is thoughtful for the welfare of his country and for himself. It is an address of which every word is of vital economic significance to our country. The outstanding feature is the vigorous Canadianism which permeates the speech and which should make beat a little faster the pulse of every red blooded Canadian who reads it. It is the fighting utterance of a fighting industrialist born of a fighting nation, and it paints a fighting situation. It paints this situation with a clarity and supports it with facts which we would be foolish to ignore.

Sir Herbert is right, a tariff is a fighting weapon which can be used either in a spirit of short-sighted selfishness or in the desperation of self-protection. Like all fighting weapons it is perhaps something that the world would be better without. Had tariffs never been invented it is possible that Canada would be developing happily as a great area of primary development trading peacefully in a tranquil world. But the fact is that someone in the past wished a fight on us and self-respect as well as self-defence demands that we do our share.

I would like to take issue with Sir Herbert's analysis of the trade situation with the United States to the extent that I do not think the situation as bad as he makes it out to be. Were the disparity in trade balance as great as he says, would not the condition of our dollar exchange reflect the disparity? I doubt whether the president of the Royal Bank has fully allowed for the balancing effect of tourist traffic which has been estimated to equalize $200,000,000 of exports. Socially, perhaps, but not economically, can one ignore a flourishing export business done along the border.

What balancing remains to be done is probably taken care of by the importation of funds for investment in Canadian enterprise. On the principle that one man's money is as good as another's there can be no objection to importing capital from the United States—provided it stops at that. If, however, the infiltration of outside capital and control into Canadian industry is to be followed by situations which react disastrously to business groups not so controlled one is forced to pause and think. Current events such as that which takes a group of Canadian financiers and industrialists to New York in an effort to remedy a bad situation resulting from a contract made between two United States captains of industry should give Canadians, whoever they may be, cause for considerable thought.

The conditions which direct United States rather than British capital and management into so many of our industries are not easy to overcome. They are germane to our geographical position. Of recent years an improved tendency has shown itself, but much remains to be done. Persistent organized effort would surely not find the obstacles insuperable.

Sir Herbert Holt has probably not told all he knows and his alarm is likely based upon facts more serious than those he quotes. Certainly there is no man in Canada better qualified to know what is going on, and the vast experience of his years commands vital attention. Moreover, it must be remembered that Sir Herbert's interests spread over every type of industrial undertaking in the country. He has no axe to grind in favor of a highly developed manufacturing industry and at the expense of the primary industries which enjoy phenomenal sales in the United States. When he intimates that our agricultural prosperity may again be disrupted by inimical changes in foreign tariffs it is time for the farmer to sit up, take note and ask himself whether or not Canada should try to expand at home and abroad markets more stable for agricultural products.

It is to be hoped that the Royal Bank president's plea for the development of Oriental trade will not fall on deaf ears. To the West of us lie the greatest potential markets of the world, markets in which nearly every Canadian product might find ready acceptance.

Since accident of history has cast our trade economy to the East and to the West instead of to the more natural channels of the South we are faced with developmental problems of great magnitude, and their solution is not helped by the trade barriers to the South of us so designed as to encourage the natural exploitation of some of our primary industries while they tend to curb our secondary industries, and particularly to stifle the basic primary industry of agriculture. It is no easy battle that lies ahead to keep our industrial economy balanced and to develop equally in town and country.

A great Oriental trade is the key to the future of Canada. It means a balanced east and west traffic which will solve our perplexing railway problem. It will solve our coal problem by providing westward freight to offset eastward shipments. It will people the western provinces and build great home markets. It will create big industries on the Pacific Coast to supply the return bulk shipping—and in this we are fortunate because British Columbia has the coal while China has the ore.

But a foreign trade is slowly acquired and others are alive to the commercial promise of the awakening East and her teeming millions. We have natural advantages and we cannot be too soon in bringing them into play. Sir Herbert Holt is far seeing. Let us hope that he will not lack for followers.

—E. H. Morrow—director of Merchandising Research, Business Newspapers Division, MacLean Publishing Company. Toronto, Jan. 15, 1929.

More Grain Eastwards

According to figures furnished by the Saint John Harbor Commissioners the amount of grain delivered to vessels in the present season up to the end of December was 7,575,649 bushels as compared with 5,601,809 bushels in the previous year. A new record for the season is anticipated.

MASSEY-HARRIS ANNUAL REPORT WILL BE LATE

Talk of Common Rights to Retire Preferred May be Premature

Report of Massey-Harris Co. for the year ended Nov. 30, 1928, probably will not be made public until late next month. It is normally to be expected about the end of January, but it is understood that the directors have decided to await the return of Thomas Bradshaw, vice-president and general manager, from Australia before sending the document to the shareholders. The delay in the publication of the report will mean that the annual meeting will be somewhat later than is customary.

Rumors current this week that Massey-Harris Co. shortly would announce rights on the common stock and that the proceeds would be used to redeem the preferred stock cannot be confirmed. A high official of the company is quoted as saying that he knows of no such plan.

Rumor Probably Premature

It is probable that discussion of retirement of the preferred is premature. It is possible that some such move will be made eventually, but it is thought likely that the directors will first place the common stock on a dividend basis. The preferred is callable at 110 and is currently selling around that figure.

Prior to 1926, capitalization of Massey-Harris Co. consisted of $25,000,000 of ordinary stock of $100 par value. In February of 1926, half of the share capital was converted into preferred stock, 7 per cent. cumulative. In March, 1927, the $100 par common was converted into four times the number of common shares of no-par value. In October, 1927, the company issued $12,000,000 of 5 per cent. sinking fund debenture bonds.

The company is in excellent liquid position, but it is not likely that the preferred would be redeemed by cash payments which would reduce the working capital. Allotment of additional shares of common to shareholders of record is considered the more probable course. But whether anything will be done this year is a question. Plans evidently have not proceeded far enough to have been brought before the board of directors as a whole.

Algoma Rail Mill Active

The rail mill of the Algoma Steel Corporation will start operating on double turn January 20, owing to urgent demands from Canada's two leading railways. This is the first time since the war the mill has begun the double turn as early as January.

Placed on Board

MORLEY AYLSWORTH, general manager of Huron & Erie Mortgage Corporation and Canada Trust Company, recently elected to the directorate of the mortgage company. He is also a director of the Canada Trust.

HARDING CARPETS REPORTS PROFITS FOR FIRST PERIOD

Orders on Hand to Run Plant at Least Four Months

Harding Carpets, Ltd., had a profit of $7,273 covering the seven months of operation ended October 31. This company was incorporated in July, 1927, but did not begin production on a commercial scale until March, 1928. The first loom was running in January but the company had to create patterns, prepare samples and organize its sale staff. The profit is before appropriations for accruing depreciation on buildings and equipment.

Plant investment at Brantford totals $785,924. Current assets total $419,429, of which $362,364 is in raw materials, supplies, goods in process and finished goods. Current liabilities total $308,296, of which $219,000 is a secured bank loan.

Orders for Four Months

Capitalization consists of $750,000 of 7 per cent. cumulative preferred on which no dividends have been paid as yet. The 20,000 shares of no-par common stock are carried on the books at $201,855. The net organizing and operating expenses are shown at $45,065. Deferred charges total $17,005.

The report signed by C. V. Harding, president, points out that the company has enough orders on hand to keep the plant running to capacity for four months. The employees number 169. Among the orders received were for the Royal York hotel, Toronto, the Chateau Laurier Ottawa, and the Empress hotel, Victoria.

Directors of the company besides Mr. Harding, are A. E. Cuthbertson, J. S. Dickson, E. A. Mott, H. J. McLaughlin and S. W. McQeown.

Many Tourists Expected

Theodore Morgan, president of the Montreal Tourist and Convention Bureau, predicts an influx of 575,000 autos to the province of Quebec from across the border and 100,000 more from the other provinces of Canada in 1929. This would mean, roughly, a total of 2,000,000 visitors to the province. This is an increase of 25 per cent. over 1928. The keeping open of main highways throughout the winter tends to augment the tourist flow.

Seek Airworthiness Standard

A proposal for the adoption by all the nations of a unified standard of airworthiness in aircraft, was made last month by the Canadian delegation to the International Civil Aeronautics Conference held at Washington. It was pointed out that after the war the Allies drew up an international air convention which provided for uniform standards by all signatory nations in the manufacture of aircraft. The convention was not ratified by the United States which set up its own standards for airworthiness requirements. This leads to confusion, especially in a country like Canada which imports many craft from the United States. No action was taken.

MONTREAL TRAMWAYS COMPANY

Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Shareholders of the Montreal Tramways Company will be held at the Company's Offices, Tramways Building, 102 Craig Street West, Montreal, at 12 o'clock noon, on Thursday, the 28th day of March, 1929, for the reception of the Report for the fiscal year ended December 31st, 1928, Election of Directors, and the transaction of such other business as may legally come before said Meeting.

The Transfer Books will be closed from the 8th to the 27th day of March, 1929, both days inclusive.

By order of the Board,
PATRICK DUBEE,
Secretary-Treasurer.
January 14th, 1929

Tender For Investment of Funds

Sealed tenders for the investment of the Funds of the Synod of Huron, London, Ont., will be received by the undersigned up to 1st March, 1929, from whom full information and form of tender may be obtained.

The Incorporated Synod of the Diocese of Huron,
W. J. DOHERTY,
Secretary-Treasurer,
Box 307, London, Ontario.

ZIMMERKNIT, Limited

Preferred Stock Dividend No. 7

Notice is hereby given that a dividend for the current quarter, at the rate of seven per cent. (7%) per annum, will be paid by cheque on or after February 1st, 1929, to preferred shareholders of record at the close of business on the 21st day of January, 1929.

ZIMMERKNIT, LIMITED.

The Brading Breweries Limited

Common Dividend No. 20

NOTICE is hereby given that a Dividend of Fifty Cents (50) per share, upon the No Par Value Common Stock of this Company, has been declared Payable February 1st, 1929, to shareholders of record at close of business January 15th, 1929.

By Order of the Board,
OTTAWA, January 5, 1929.
JOHN RANKIN, *Sec.-Treas.*

ENAMEL & HEATING PRODUCTS LIMITED

Common Stock Dividend No. 3

Notice is hereby given that a dividend of fifty (50) cents per share, being at the rate of Two ($2.00) Dollars per annum, has been declared for the quarter ending December 31st, 1928, payable February 1st, 1929, to shareholders of record January 15th, 1929.

By Order of the Board,
S. BRETT,
Secretary.
Sackville, N.B., January 10th, 1929.

Assurance of dividends with prospects of appreciation in market value

A security combining the above features constitutes an ideal investment—

It is our opinion that
Melcher Distilleries Limited Class "A" $2.00-Dividend Participating Stock
comes in this category and we recommend its purchase at $35.00 per share.

Descriptive circular gladly forwarded on request.

Barrett & Wood Limited
Investment Bankers
132 St. James Street
MONTREAL

MANUFACTURING BUSINESS WANTED
A Group of Executives whose combined experience includes Manufacturing, Sales, Accounting and Advertising and who have capital, wish to obtain ownership, in whole or part, of a going Manufacturing Business. Reply in first instance to—
W. M. CHISHOLM, c/o J. J. Gibbons Limited,
119 Wellington St. West,
Toronto, 2.

"Seeing the Game Through"
There are powers which should be given in your Will to Executors and Trustees, to ensure your Estate being properly handled. To simply devise your Estate to your beneficiaries without full consideration of these and other facts, is not, in many cases, "seeing the game through" in that way which we all like to think we are doing.
We shall be glad to discuss the subject with you
THE CANADA PERMANENT TRUST CO.
Paid-up Capital One Million Dollars
TORONTO STREET, TORONTO
MANAGER, ONTARIO BRANCH • • A. E. HESSIN 35

SERVICE STATION EQUIPMENT COMPANY LIMITED

PREFERRED DIVIDEND

Notice is hereby given that a dividend of one and one-half per cent. (1½%), being at the rate of 6% per annum, has been declared on the outstanding Preference Stock of the Company, payable February 1st, 1929, to all shareholders of record at the close of business January 15th, 1929.

By Order of the Board.
F. J. MAYO,
Asst. Secretary.

QUEBEC POWER COMPANY

Notice of Redemption

To the holders of the Series "A" Thirty Year Six Per Cent. First Mortgage Sinking Fund Gold Bonds and Registered Debenture Stock of Quebec Power Company.

NOTICE IS HEREBY GIVEN that pursuant to the terms of the Trust Deed of Hypothec, Mortgage and Pledge from Quebec Power Company to National Trust Company, Limited, Trustee, dated October 25th, 1923, and Supplemental Trust Deed dated December 21st, 1923, securing the above mentioned Bonds and Registered Debenture Stock, Quebec Power Company will redeem all of its outstanding Series "A" Thirty Year Six Per Cent. First Mortgage Sinking Fund Gold Bonds and Registered Debenture Stock (which would, according to their terms, mature and become payable on October 1st, 1953) on the first day of April, 1929, at one hundred and seven and one-half per cent. (107½%) of the principal amount thereof, together with accrued interest on such principal amount to the said first day of April, 1929.

The said Bonds will be so redeemed at the principal office of the Royal Bank of Canada in the Cities of Montreal or Toronto, Canada, or at the principal office of the Bank of the Manhattan Company in the City of New York, in the Borough of Manhattan, State of New York, and bondholders are required to present their bonds with all unmatured coupons pertaining thereto for redemption at one of the said offices on the said date.

The said Stock will be so redeemed at the principal office of the Royal Bank of Canada in London, England, and holders of the said Stock are required to present their Stock certificates for redemption at the said office on the said date.

In case such Bonds and Stock are not so presented for redemption on the first day of April, 1929, all interest on said Bonds and Stock will cease from and after the said date.

DATED at the City of Quebec, this 1st day of December, 1928.

QUEBEC POWER COMPANY,
(Sgd.) James Wilson,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Bonds may surrender the same at any of the offices where such Bonds are payable as aforementioned, and holders of the said Stock may surrender their Stock Certificates at the office where such Stock is payable as aforementioned, at any time on and after January 1st, 1929, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of one hundred and seven and one-half per cent. (107½%) with interest accrued on such Bonds or Stock to the date of surrender thereof.

QUEBEC POWER COMPANY,
(Sgd.) James Wilson,
Secretary.

Brazilian Traction, Light and Power Company, Limited

(Incorporated under the Laws of Canada)

Notice is hereby given that the Board of Directors of this Company has declared a quarterly dividend of 50 cents per share on the Company's issued Ordinary Shares of no par value payable on 1st March, 1929, to shareholders of record on the registers at the close of business on the 31st January, 1929.

Dated at Toronto, Canada, 10th January, 1929.

J. M. SMITH,
Secretary.

Note:—The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada.

The London Agents of the Company are the Canadian and General Finance Company, Limited, 3 London Wall Buildings, London E.C. 2, England.

OSHAWA STORE WELL LOCATED
Steam-heated, extra large basement. New building. Immediate possession. Apply Dr. Tuck, Box 459, Oshawa, Ont.

CANADIAN VICKERS LIMITED

PREFERRED SHAREHOLDERS
Dividend No. 6

Notice is hereby given that a Dividend of One and Three-quarters per cent. (1¾) for the Quarter ending January 31st, 1929, being at the rate of 7% per annum, on the Paid-up Cumulative Preferred Shares of this Company, has been declared and that the same will be paid on the 1st day of February next to Preferred Shareholders of record at the close of business on January 15th, 1929.

(Signed) J. W. SAVIDANT,
Treasurer.
Montreal, January 12th, 1929.

Blue Ribbon Limited

Dividend Notice

Notice is hereby given that the quarterly dividend at the rate of Six and a half Per Cent. per annum on the Preference Shares of Blue Ribbon Limited has been declared, payable the 1st day of February, 1929, to Shareholders of record at the close of business the 15th day of January, 1929.

By order of the Board.
K. C. WEISS,
Secretary-Treasurer.
Dated at Winnipeg this 7th day of January, 1929.

The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, 30th January, 1929, at twelve o'clock noon.

By Order of the Board.
C. A. BOGERT,
General Manager.
Toronto, 22nd November, 1928.

BARRISTER and SOLICITOR
with military executive and organizing experience, seeks business opportunity, preferably in Toronto. Highest credentials in east and west. Apply Box 460, The Financial Post, Toronto.

EXPERIENCED NEWSPAPERMEN
(1) High grade reporter preferably with experience in handling mining or financial news.
(2) Experienced desk man, preferably with financial experience.
Tell all in first letter.
BOX 477, THE FINANCIAL POST, TORONTO

RIGHTS OFFERED TO SHAREHOLDERS OF NATIONALE

Bank Offers Shares on Basis of One New for Three Held

From Our Own Correspondent

MONTREAL. — At the annual meeting of the shareholders of the Banque Canadienne Nationale, it was announced that the directors had decided to increase the paid up capital of the bank from $5,500,000 to $7,000,000 through the issue of 15,000 new shares of capital stock. These new shares will be offered to shareholders on record January 15, at $160 a share, on the basis of one new share for each three shares held. At the present market price of $189, the rights are worth approximately $9.70 a share. This increase of capital will give shareholders the opportunity of securing a yield of 6.39 per cent. on their rights.

The report of the directors at the annual meeting indicates that the Banque Canadienne, which operates almost entirely in the province of Quebec, has shared in the general prosperity of Canada. For the first time in the history of the bank, assets were shown in excess of $150,000,000.

Directors' Report

After pointing to the great developments in agriculture and mineral production, as important factors in Canada's prosperity to-day, the directors' report says in part:

"Power consumption is undoubtedly one of the most reliable indexes of industrial activity. In his annual review of water power development in Canada the Minister of the Interior reports that turbines installed during 1928 represent 550,000 h.p., bringing the total hydro-electric development in Canada to 5,328,000 h.p. This report further indicates that there is actually under construction and development an additional amount of 1,200,000 h.p., a large portion of which will be available in the near future. Installations made last year and those which will be completed shortly, including the cost of transmission and distribution lines, will represent an investment of not less than 330 million dollars. According to estimates made by competent authorities, every dollar invested in hydro-electric development would entail an investment of $6 by the consumer. These figures give an idea of the industrial expansion resultant from hydro-electric development. The province of Quebec may well be proud of the fact that in 1928, as in the last few years, the greatest gains in power development have taken place in this province.

NEWSPRINT DEMAND INCREASED IN 1928

Consumption up 6% — U.S. Annual Output Has Declined Fractionally

From Our Own Correspondent

MONTREAL.—Newsprint production on this continent during 1928 showed a total increase of 6.7 per cent. Canadian overseas exports of newsprint almost doubled during the past 12 months, but overseas exports only amount to about 11 per cent. of the total production. Hence, the 6.7 per cent. increase in the production of this continent pretty well represents the percentage of increase in consumption.

Such a growth in the consumption during the year just closed can be regarded as a satisfactory feature of the situation, particularly as earlier in the year various factors indicated but little increase in the demand.

During the month of December, the production of the Canadian mills and the United States mills experienced the usual seasonal declines. In the preceding two months the mills furnished the increased newsprint required in the weeks preceding Christmas, when advertising is heavy. The Canadian production dropped from 223,645 tons in November to 208,484 tons in December. The U. S. mills production dropped from 123,785 tons in November to 115,049 tons in December. A favorable feature in the situation, though, is that the mill stocks on hand in Canada show a decided decline.

Another favorable feature of the situation is that the U. S. mills during 1928 produced fractionally less newsprint than in 1927, whereas the Canadian mills increased their production from 1,900,000 tons a year ago to 2,173,498 in 1928.

During December the Canadian mills operated at 84.3 per cent. of their capacity, and the U. S. mills at 83.7. During November the mills of both countries operated at close to 87 per cent. capacity.

Bradings Breweries Earn Around $2.50 a Share

From Our Own Correspondent

MONTREAL.—Bradings Breweries is expected to show earnings of approximately $56,000 for the fiscal year ended December 31, 1928, after allowances for preferred dividends and depreciation. This represents earnings of approximately $2.54 a share on the common stock. The company completed some expansion work in the past year, and is now in a position to reap the full benefit of its increased production.

The demand for the company's products continues to be satisfactory, and the fact that the company has been in operation for 62 years perhaps strengthens its position in these days of keen competition in the brewing industry.

Sales Increase Expected for Enamel and Heating

From Our Own Correspondent

MONTREAL.—Earnings of Enamel and Heating Products are running at about $5 a share, and it is thought that the annual report will show nearly a 100 per cent. increase in sales of porcelain enamel products during the past year. The company is getting a good volume of business in this department of its activities, and has recently secured two large contracts for hotel fixtures.

Enamel and Heating Products was formed in March, 1928, as a consolidation of the Charles Fawcett Company, of Sackville, N. B., and the Amherst Foundry Company. The Fawcett plant manufactures coal and wood ranges, gas ranges, and similar products, while the Amherst Foundry produces a wide range of porcelain enamel bath tubs, sinks, basins and other products under the trade mark Beaver Brand.

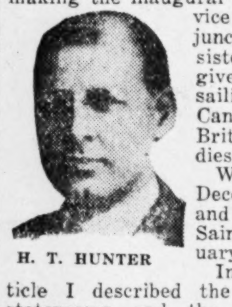
The company has 29,000 shares of no par common stock outstanding. These shares represent its sole securities. The shares are listed on the Montreal Stock Exchange. Recent transactions have been made around 33½. The stock is on a dividend basis of $2 annually.

West India Cruisers Bring Back Bag of Ideas on Increasing Exports

Many Lines in Which Canada Can Increase Its Sales to British Islands in Caribbean Sea — West Indies Too Can Increase Exports to Canada

By HORACE T. HUNTER, Vice-president, The Financial Post

The Canadian National steamer "Lady Nelson" returned to Saint John and Halifax this week after making the inaugural trip of a service which, in conjunction with four sister ships, will give fortnightly sailings between Canada and the British West Indies.



H. T. HUNTER

We left Halifax December 12th and returned to Saint John, January 13th.

In my first article I described the commodious staterooms and the bright, airy lounge rooms. After spending 32 days on the "Lady Nelson" I feel even more enthusiastic than indicated in my first impressions, regarding the comfort and convenience afforded by this steamer. The "Lady Nelson" with her four sister ships, were built especially for cruising through the tropical climate, and while there may be larger and more luxuriously fitted-out ships, I do not think there are any which afforded greater comfort to passengers.

The official party on this inaugural trip consisted of Peter Jack, Halifax, chairman of the Halifax Harbor Commission, representing the prime minister of Canada and the Dominion government; J. Gill Gardner, of Brockville, director of the Canadian National Railways and Canadian National Steamships; Col. Carleton Brown, Montreal, assistant to the president, Sir Henry Thornton; Hance J. Logan, K.C., ex-M.P., of Amherst, N.S., and director of the C.N.R.; and Horatio Crowell, publicity manager.

A. C. Belding and Leon Keith, of Saint John, N.B., represented the Saint John Times-Globe, and Horace T. Hunter was present on behalf of The Financial Post and The MacLean Publishing Company. E. J. Merrifield was secretary.

Visited Thirteen Islands

The steamer called at the following islands: Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara, British Guiana. She remained at each stopping point for a period ranging from about 12 hours at the smaller ports to as much as three days at Barbados and Demerara.

A cordial reception was tendered the official party at every port. The governor or administrator usually entertained the official party to luncheon at Government House where an opportunity was given to meet members of the local government. A formal dinner or, in some cases where the steamer was not in port for the evening, a luncheon was tendered by the official party on the steamer to government officials and local business men. From sixty to one hundred local men were entertained at each island, and in addition to the formal addresses, an excellent opportunity was given for interchange of opinions as to ways and means of promoting increased trade between the two countries.

Col. Brown as Chairman

Colonel Brown acted as chairman at each of these formal functions and he made an excellent toastmaster. He has a thorough knowledge of trade statistics between these two parts of the Empire and was able to interject many points which were very illuminatin and beneficial.

Peter Jack brought greetings from prime minister and the Dominion government. He has a pleasing manner, and represented his country with grace and dignity.

J. Gill Gardner proposed the toast to "Our Guests." This gave him an opportunity to place fairly and squarely before local business men and government officials the opportunities which this new steamship service offered to the people of the British West Indies.

Mr. Gardner is a forceful speaker, probably overinclined to use superlatives, but he impressed his audience with his sincerity and with the need for positive action on their part to help make this new service successful.

Money For More Ships

He pointed out the advantages of tieing up to a progressive country like Canada, and such gigantic organizations as C.N.R. and C.N.S. Canada, he said, had the money and the resources to expand this steamship service accordingly as the West Indies made use of the present ships and demonstrated that they could use increased accommodation.

He urged co-operation between the island producers and especially between the various colonies of the British West Indies. These ships were an example of what co-operation could do. Just a few short years ago the Dominion government took over a number of disorganized railway lines which were not even paying operating expenses. Through co-ordination and the splendid work of Sir Henry Thornton, the lines would show an operating profit this year of $60,000,000. Moreover, the progress the Dominion of Canada had made had only been possible through confederation, which was consummated despite difficulties and prejudices which at the time seemed insuperable. He hoped the Barbados Conference, to be held the latter part of January, would accomplish something in the way of bringing the Islands commercially and politically closer together so that they could take united action on many questions in which they were vitally interested. They would accomplish much more by speaking with a united voice.

Bring New Capital

These steamers had been fitted out in lavish fashion but the service would result in bringing to their shores wealthy business men who would see the opportunities for development and would invest their money in these Islands as they had done in South America, in Europe and in the U.S.A.

The reply of the governor of the island or the administrator was always cordial, appreciative of what had been done by Canada, and an assurance that they would endeavor to increase trade between these two parts of the Empire in every way possible.

Hance Logan gave some interesting reminiscences on his tour of the West Indies in 1924, when he came down as a special commissioner to invite them to send delegates to Canada. They had received him cordially and had sent their delegates in 1925, when the treaty was concluded. He stated that we in Canada bought $192,000,000 worth of tropical products, chiefly from the United States, practically all of which could be produced in the British West Indies. For his own part, he favored free entry of products of the British West Indies to Canada. He was very strongly in favor of extending, in every possible way, trade within the Empire, and while other countries were talking about this question Canada and the British West Indies had taken definite action.

He drew their attention to the fact that the United States had just elected a new president who was committed to a policy of high protection. The British West Indies would probably find that the tariff barriers of the United States would be raised still higher and this would make the Canadian market even more valuable to them. We in Canada manufactured many lines which they did not make and which would furnish return cargo for the ships.

At the dinner tendered to the Montserrat Administrator and a representative body of business men of that island, Mr. Gardner asked me to propose the toast to "Our Guests." I spoke in part as follows:

"I came on this good-will expedition to observe and gather information for the readers of our business publications in Canada. I feel that we are not strangers for two reasons: first, I made a trip to these islands in the interests of our company sixteen years ago; and second, for over thirty years copies of our business newspapers have been coming regularly to some of your prominent importers.

"We are too close to the Canada-West Indian Treaty of 1925 to appreciate its full significance. Without the aid of these ships, the total trade between these two countries has increased from $33,000,000 in 1926 to $45,000,000 in 1928.

Must Study Markets

"The 'Lady Nelson,' and her sister ships will encourage interchange of visits between the business men of Canada and the West Indies. Each of us must learn the exact requirements of the home market in each country.

"I have urged our business men to visit your Islands and study their markets. I would urge you to come to Canada because it is not only a market of great buying power to-day, but its buying power is increasing very rapidly from year to year.

"Co-operation is one of the magic words in business to-day. I would urge that you study the co-operative campaigns of the California Fruit Growers Association, the Raisin Growers Association, the Walnut Growers Association, and the British Columbia Apple Growers and many other associations which have brought prosperity to their members by co-operative methods in grading, packing, research work and, above all, through their sales departments.

"Problems of distribution are receiving careful attention from the best brains in the business world to-day. It is not an easy problem, but you can, I am sure, get a great deal of assistance from such splendid organizations as Canadian banks, Canadian National Railways, and editors of business newspapers, who are constantly studying this question and publishing much information in their publications which should be of value to you.

"Come to Canada"

"I have been greatly impressed with the fertility of your soil and with the variety of things you produce. Fifty years ago, tropical fruits and vegetables were considered by us in Canada great luxuries, which only the very wealthy could afford. To-day, conditions have changed. Our buying power has increased. Quicker transportation and refrigeration have placed these articles on the tables of the great mass of the people. They are, however, discriminating buyers. They want the best quality. I would urge you, therefore, to come to Canada, study their case and work out plans for supplying their wants.

"We have heard at each port that you desire capital to build hotels. You have an ideal climate and vistas and views from your hills and mountains which rival many of the famed-world resorts. Not the least of your assets is your splendid historical background. As you advertise your products, you will make known the place where they are produced. These new steamers will bring an ever-increasing number of people to you and I am sure your tourist business will eventually be one of your big sources of revenue as it is now with us in Canada."

At Bermuda, St. Lucia, Barbados, Demerara and Antigua special meeting of the local chamber of Commerce were called. A frank discussion took place on opportunities for Canadian firms in these markets. Canadian business men could have secured in a short space of time at these conferences and with the minimum effort on their part information which will have to be secured in a more laborious way.

Canadian Hog Not Right

For example, it was pointed out Canada was not producing the fat backed hog which was required for this market. The hog which was being developed in Canada for the English trade cost 2c. per pound more than in the United States. With increased cold storage facilities at Halifax, on ships and at local ports an increased trade could be secured for high grade hams and bacon, butter and other produce.

There had been a feeling that only pitch pine could be sold in these tropical countries, as ants and insects would destroy other kinds of timber, with the result that the United States had been getting nearly all the business. Experiments had been carried on in Jamaica by burying some pine and Douglas fir in ant hills. The pine was honeycombed and useless in a few weeks' time but the Douglas fir was almost unharmed. The result had been that half the Jamaica market had been captured by Canadian firms who were shipping in Douglas fir. It was giving splendid satisfaction.

Canadian motor car companies were not getting the motor car business in these islands. It was felt the preference which was given should enable Canadian firms to secure a large part of this trade. The colonial secretary in one colony intimated he would be willing to increase the preference if that was necessary.

Other Things Learned

Canadian shoe manufacturers are not making the type of shoe required for this market. It was felt that a shoe which was suitable for this semi-tropical climate could also be sold in Canada in summer and thus enable Canadian firms to get quantity production and to get down to a price which would enable them to get and hold this market.

Canadian cornmeal is too coarse and has too much oil for this climate. They had the same trouble with flour but this was remedied and Canadian flour is now entirely satisfactory. Cornmeal must be kiln dried.

Government supplies are purchased by a purchasing agent in London through the colonial office. British goods are purchased frequently to mutual detriment of both Canada and the British West Indies. A purchasing agent in Canada, possibly Montreal, would be much better located with a view to getting best prices and best value for the money. This would result in more Canadian goods being specified.

Hint to Canning Firms

Canners should use more attractive labels. In many cases natives could not read but they were attracted by a bright colored label with a prominent trade mark which was easily recognized.

The United States had cultivated these markets assiduously, it was declared. They had sent their representatives and had formed connections.

Sentiment is in favor of Canada but Canadian firms must cultivate the market.

Many Canadian firms have been slow in shipments, have not packed goods properly, and have sent goods on consignment which were not wanted.

Market For Cotton Goods

Colored cotton goods are in demand. English firms have a greater variety of goods than Canadian, and consequently are getting most of the business.

There is considerable demand for a line of low-price caps. This business is going to British firms.

These are only a few of the points which were raised by local business men, but they indicate the practical nature of the discussion which took place.

Subsequent articles will deal with other matters relating to Canada and West Indian trade.

Canada's Opportunity in British West Indies

By HORACE T. HUNTER

A brief summary of impressions gained on the cruise of the "Lady Nelson"

1. The people of the British West Indies are intensely loyal to the King, the Flag and the Empire. There is a disposition to buy goods produced within the Empire.
2. Canada is only supplying the British West Indies with 20 per cent. of their imports, or about $20,000,000. More aggressive sales work should enable us to double these figures.
3. Buying power of the British West Indies can be very substantially increased:
   (a) By greater production from the soil of fruits and vegetables, for which natural conditions are ideal.
   (b) Development of tourist trade. Climate and scenic beauty are unrivalled. In addition to this there is wonderful historic background.
4. The "Lady Nelson" and her four new sister ships will bring tourists to these islands in constantly growing numbers. These modern ships with up-to-date cold-storage facilities will bring back fruits and vegetables in ever-increasing quantities.
5. The inaugural trip of the "Lady Nelson" marks the beginning of a new era in Canada-West Indies trade. These two parts of the Empire are non-competitive. Each makes what the other wants. In 1926 the total trade between these two countries was $33,000,000. In 1927 it was $37,000,000, after the present treaty had been in force for one year. In 1928 it was $45,000,000. This increase in trade took place before the inauguration of the new steamship service.

The increases have been mostly in goods we have imported, but I believe with improved facilities exports and imports should show steady increases year by year.

WRIGHT FLEXIBLE TAKES EXCEPTION TO B.B.B. CRITICISM

Disputes Statements of Montreal Better Business Bureau

From Our Own Correspondent

MONTREAL.—In a letter to the Better Business Bureau of Montreal, the Wright Flexible Axle Motors, voices a protest against the Bureau's remarks concerning its activities. The Wright Flexible Axle Company makes the point that as the largest portion of the money subscribed to its stock issues has come from labor people and persons of small means, the Bureau's actions are preventing the further development of the company and incidentally causing a loss to investors.

The company denies that Birmingham Motors, a Trust, of Jamestown, N.Y., who had acquired the patents of the Cornelian car, was wound up after an investigation by federal authorities; also that a number of the principals of the company were indicted. Birmingham Motors, according to the Wright Flexible Axle company, was not wound up after an investigation by federal authorities, but because of a campaign against the company and because of the unfavtorable publicity during the infavorable publicity during the indictments, occurrences which had the effect of deterring the company from obtaining additional capital which it required. Thus operations were necessarily brought to a halt.

No American Affiliations

The company denies that it has any affiliation with an American company with which its name was linked by the Better Business Bureau. The company states that it is incorrect to state that in 1923, James A. Wright purchased from the trustees of the Birmingham Motors, Limited, a Peterborough company, the right to manufacture the Wright Flexible Axle Automobile. The correct situation, says the company, is that Mr. Wright and others, after the liquidation of the Peterborough Company, purchased from the trustees of that concern the assets of the estate, amongst which were certain patent rights.

The company states that the Better Business Bureau misrepresented the statement of the president, who was alleged as saying that the shares would increase to around $80 a share, whereas he merely stated that "under certain conditions" the stock should or might ultimately have a market value of $80 in view of the performance of other concerns.

Has Dominion Charter

Finally, the company objects to the use of the term "to push the sale of securities." Wright Flexible Axle Motors have been authorized by the Dominion parliament to function as a company. The management points out that the first prerequisite for functioning is the obtaining of capital, and the only way to obtain capital is by selling shares.

All this will not convince the shrewd investor that Wright is a good investment. The only way to judge the merits of an investment is either on the past record of earnings, or the value of the company's stock and its merits, as compared with other investments. Viewed from this angle, the shares of the Wright Flexible Axle Motors are just as speculative and unattractive as The Financial Post steadily indicated.

RUMORS SURROUND DOMINION TEXTILES

Company Considering Developments in Tire Fabric Plants

From Our Own Correspondent

MONTREAL.—Various rumors are surrounding the Dominion Textile's acquisition of two new plants in the Eastern Townships. The reports that the company will acquire Bruck Silks, or go into the artificial silk business, are not given much credence. In the first place, the manufacture of artificial silk requires a process which would necessitate the expenditure of a large sum of money. It is essentially a chemical process, and as such would require the erection of new plants, new machinery, and the employment of a new organization.

However, Dominion Textiles is now in possession of two tire fabric plants, and in one of them—the Canadian Connecticut Cotton Mills—there is a large building in which machinery has never been installed. If the company is going to expand in any direction, it seems most probable that it will use the Connecticut Cotton Mills plant. This indicates that no change in the operations of that plant are contemplated.

Whatever developments the management may have in mind, it is thought that the vacant space in the Connecticut cottons plant at Sherbrooke will be utilized.

Whether the anticipated advent of two more silk concerns in Quebec would influence Dominion Textiles to the extent of entering this field is unknown. However, it is certain that the distribution of any new line of goods would be greatly facilitated by the wide market which the company's goods command at the present time.

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Paid Policyholders and Beneficiaries, 1928	$ 5,875,169.79
Paid Policyholders and Beneficiaries, since 1871	68,485,635.00
Surplus Earned for the Year 1928	2,454,356.00
SURPLUS FUNDS FOR FUTURE DISTRIBUTION	$7,553,430.50
New Insurance Written and Revived	$ 57,273,653.00
Insurance in Force Dec. 31, 1928	291,724,524.00
Assets December 31, 1928	64,869,835.85

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In the Days of Barter

In the early days of commerce, traders gathered in the Market Place to exchange their wares. By a "higgling" process prices were determined.

But the variety of modern industry, the vast distances between markets, and the great volume of international trade, have made the Market Place impractical.

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As investment bankers we shall be glad to advise you in the selection of securities or analyse your present holdings. Write, telephone or call on us.

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THREE HOLES COMPLETED

Three holes have been completed on the Jack Nutt property of Manitoba Basin Mines at Herb Lake. All are said to have cut ore.

BUNKER HILL EXT. CLAIMS

Bunker Hill Extension has staked a group of claims in Shonial and Crow River gold areas.

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CANADIAN STOCK AND BOND QUOTATIONS

Stock Market Record

WEEK ENDING JANUARY 15

	Par Value	Div. Rate	Yield Jan. 14	High for wk.	Low for wk.	Close Jan. 15	Close Jan. 8	Sales for wk.	Range 1929 High	Range 1929 Low
Banks—										
Commerce	$100	12+1	3.88	338	331	335	335	496	340	320
Dominion	100	12+1	4.71	276	274	275	276	159	280	273
Can. Nationale	100	10	5.43	189	184	189	184	110	189	184
Imperial	100	12+1	4.72	275	270	270	273	149	275	268
Montreal	100	12+2	3.50	406	395	406	398⅛	1062	406	395
Nova Scotia	100	16	4.03	398	396	396	397	84	400	396
Royal	100	12+2	3.54	400	390	390	390	765	400	382
Toronto	100	12+1	4.67	282	278	278	279	61	282	276
Paper—										
Abitibi	n.p.	.	...	47¼	40½	43½	43	9035	47¼	40
Do. pref.	100	7	6.86	..	...	...	...	...	102	102
Do. pref.	100	6	6.97	88	85¾	86	87	791	88	85¾
Belgo Can., pref.	100	7	6.86	102	101¾	102	102¾	20	102¾	101
Brompton	n.p.	$2	5.26	39	34	38½	35	1340	39	34
Can. Pr. & Paper	n.p.	.	...	33¾	28¼	30	30½	10720	33¾	28¼
Donnacona	n.p.	.	...	26	25	26	27	95	27	24
Fraser, com.	n.p.	$1	1.14	87½	82	86	83	12853	87½	81
Do. Rights	..	.	...	2.40	2.00	2.25	2.00	13887	2.40	1.75
Hinde & Dauch	n.p.	$1	4.12	25	24	24¼	24	255	25	24
Inter. Pap. & Pr., c.	n.p.	.	...	29	29	29	29	200	29	29
Do. (B)	n.p.	.	...	16⅞	16⅝	16⅞	16	110	16⅞	16
Do. (C)	n.p.	.	...	11⅝	11½	11½	11½	110	11¾	11½
Do. com.	n.p.	$2.40	4.14	58¼	57½	58	59	600	59⅛	57½
Do. pref.	100	7	...	..	...	...	...	...	x108	85⅝
Pt. Alfred, com.	n.p.	.	...	69	60	67	64½	1836	69	60
Do. pref.	100	7	7.14	99	98	99	99	163	99	98
Price Bros., com.	100	2	2.56	78	72½	78	71	595	78	71
Do. pref.	100	6½	6.25	104	103	104	102	149	104	101
Smith, Howard, c.	n.p.	.	...	29	28	29	28½	320	30	28
Do. pref.	100	6	6.52	92½	92	92½	92	200	93	92
St. Maur. V., pref.	100	7	7.14	98	96	96	98	50	98½	95¾
Wayagamack	n.p.	$3	4.11	73	69	70	69	1045	73	68
Steel and Steel Industries—										
B.E. Steel, com.	100	.	...	4	3	3½	4¼	61	4¼	3
Do. 1st pref.	100	.	...	30¼	30	30¼	30	85	31	30
Do. 2nd pref.	100	.	...	6½	6	6½	6½	2766	6¾	6
Can. Bronze, c.	n.p.	$2	2.12	94	74	88	73	23535	94	68⅞
Do. pref.	100	7	6.33	..	...	...	...	...	110½	110
Can. Car & Fdy., c.	100	.	...	146	123	141	126	9314	146	95½
Do. pref.	100	7	4.76	147	127	135¾	127	6788	147	106½
Can. Fairbanks, pf.	100	6+6†	6.00	..	...	...	...	...	x103	100
Can. Forgings, c., A	n.p.	37½c	...	25	21	23⅞	20	2458	25	20
Do. B	..	.	...	21	20	21	...	170	21	20
Can. Gen. Elec., com.	50	.	...	160	150	160	150	35	160	135
Do. pref.	50	7	5.93	60	57	59	57	174	61	57
Can. Iron, com.	100	.	...	..	...	...	...	...	29	29
Do. pref.	100	4	...	..	...	...	...	...	80	78¼
Can. Locomotive, c.	100	.	...	45	40	44	...	170	45	40
Do. pref.	100	7	7.60	92	88	90	89	245	92	84
Cockshutt	n.p.	$1.50	3.26	48	43	46	45	77946	48	37
Dominion Bridge	n.p.	$2.80	2.88	97	93	95	93	13056	97	91½
Do. Rights	..	.	...	4.50	3.90	4.40	4.05	20683	4.55	3.90
Dominion Coal	100	.	...	88	88	88	90	5	90	88
Dominion Iron, pref.	100	.	...	..	...	...	...	...	x12	5
Dom. St. Corp., pf.	100	.	...	..	...	...	...	...	11½	11½
East Steel Pr.	n.p.	.	...	53	39	48½	39	3152	53	36
Do. pref.	100	7	7.00	100	100	100	99½	5	100	99½
Gotfredson, com.	n.p.	.	...	..	...	...	...	...	6	6
Ford Motor	100	15	...	..	...	...	...	...	x570	570
Hamil. Bridge	n.p.	.	...	44¾	39	43	40	6428	44¾	37¾
Do. pref.	100	6½	7.14	91	90	90	90	145	91	90
Hayes Wheel, com.	n.p.	.	...	56	52½	53¾	53½	1948	56	47¾
Do. pref.	100	7	6.84	102¼	101	102¼	101	15	102¼	101
Gen. St. Wares, c.	n.p.	.	...	42	37½	39	37	20545	42	36
Kelvinator, com.	n.p.	.	...	12	9½	11½	8	1334	12	8
Do. pref.	100	7	8.64	83	81	82	82¾	50	83	80
Lake Sup. Corp.	100	.	...	28½	17¾	26	17¾	17405	28½	16
Massey-Harris, com.	n.p.	.	...	95	90½	92¾	91½	17165	95	90½
Do. pref.	100	7	6.30	115	110	111	110¼	216	115	108½
McKin. Ind., com.	n.p.	$2	2.70	75½	70	73½	71	4046	76½	69
Do. pref.	100	7	6.86	102	101½	102	101	210	102	101
N.S. Car, com.	n.p.	.	...	139½	112	134	117	20330	139½	88
N.S. Steel, pref.	100	.	...	..	...	...	...	...	x30	25
Ont. Steel, com.	n.p.	$1.60	5.33	30	30	30	32	55	30	30
Do. pref.	100	7	6.66	105	105	105	120	15	105	105
Page Hersey, com.	n.p.	$3	2.23	135	128¾	132½	130	8383	135	128½
Do. pref.	100	7	2.68	..	...	...	...	...	261	261
Pressed Metals, com.	n.p.	$1	5.06	21½	19	21½	19½	380	21½	19
Do. pref.	100	7	7.00	100	100	100	100	6	100	100
Russell Motor, com.	100	4+1	6.09	..	...	...	...	...	82	82
Do. pref.	100	7	6.54	107	107	107	105	5	107	100
Steel of Can., com.	100	7	...	258	225	225	235	224	258	218
Do., com., new	n.p.	50+18¾	...	66½	60	64	60½	27710	66½	55⅞
Do. new	25	50+18¾	...	65¼	52	59	52	6542	65¼	51½
Do. pref., old	100	7	...	228	205	225	205	22	228	198
Milling, Foodstuffs and Merchandising—										
Assoc. Qual. Can.	n.p.	$1.50	5.82	27⅝	24½	27⅝	25	775	27⅝	24½
Alta. Pa. Gr., com.	n.p.	.	...	60	55¾	60	57	1615	62½	55¾
Do. pref.	100	7	7.00	100	99	100	99½	331	100	99
Atlan. Sugar, com.	n.p.	.	...	20	14	17	13	5096	20	13
Do. pref.	100	.	...	70	69	69	70	115	70	69
B.C. Fish, pref.	100	.	...	86	84½	86	85	387	86	83
B.C. Packers	n.p.	.	...	31½	29	29	30⅝	4841	32½	28
Can. Bak., com.	n.p.	.	...	37	37	37	37½	45	37½	37
Do. pref.	100	7	6.89	101½	101½	101½	101½	10	101½	101½
Can. Bread, com.	n.p.	$6	4.05	151	145	151	150	315	151	133
Do. pref. (A)	100	7	6.08	115	115	115	115	155	115	115
Do. pref. (B)	100	7	6.60	107	106	106	106	101	109	105
Can. Canners, com.	n.p.	.	...	21¾	21	21¾	21¾	519	22	21
Do. 1st pref.	100	6	6.66	91	90	90¾	90	112	91	90
Do. 2nd pref.	n.p.	60c	2.60	23½	21¼	23¼	23	3952	23½	21¼
Canadian Salt	100	8	...	..	...	...	...	...	x175	154
Christie Brown, c.	n.p.	$1.20	...	..	...	...	...	...	x131½	79½
City Dairy, com.	n.p.	$2	2.56	81	77½	78½	82	1522	84	77½
Do. pref.	100	7	5.00	..	...	...	...	...	140	140
Cuban Can. Sug., c.	100	.	...	..	...	...	...	...	x3½	1½
Do. pref.	100	.	...	..	...	...	...	...	x30	14
Dominion Stores	n.p.	$3	1.86	165	161	165	164	216	165	161
Fanny Farmer	n.p.	$1	3.17	31½	30	31½	31	330	31¾	30
Do. pref.	n.p.	$2.40	8.00	30	30	30	30	5	30	30
Ham. Dairies, com.	n.p.	.	...	44	44	44	46	60	46	44
Do. pref.	100	7	6.93	101	101	101	101	35	102	100
Hunts, Ltd., com.	n.p.	$1	2.32	44	43	43	44	75	44	40¼
Do. pref.	100	7	6.86	102	102	102	103	30	103	102
Inter. Milling, pref.	100	7	6.39	109½	109½	109½	109½	103	109½	109⅛
L. of Woods, com.	n.p.	$3.20	5.72	55¾	54¼	55	55½	996	56¾	54
Do. pref.	100	7	5.83	120	115	120	117	41	120	115
L. Secord, com.	n.p.	$2	4.44	45	43	45	41	95	45	41
Do. pref.	100	7	5.18	135	135	135	140	10	140	135
Loblaw, com.	n.p.	$2	1.94	105	100	100	101	5852	105	97½
Do. pref.	100	7	5.38	130	130	130	130	5	130	130
Maple L. Mill., com.	100	.	...	160	160	160	160	50	160	145
Do. pref.	100	7	6.66	111	105	110	112	80	112	105
Muirheads, com.	n.p.	60c	6.00	11	8	10¾	8	2392	11	7¾
Do. pref.	10	75c	7.89	9⅝	9	9⅝	9	85	9⅝	8
Nat. Grocers, pref.	100	8	8.00	100½	100	100	100¾	23	100¾	100
Ogilvie Fl., com.	n.p.	$5	...	500	495	499	496	90	500	495
Do. pref.	100	7	...	139	130	139	135	44	139	130
Pure Gold Mfg.	n.p.	$2	6.89	29	29	29	29	25	29½	29
Shredded W., com.	n.p.	$3	3.09	99	95	95	93½	803	101	92½
Stanfords, com.	n.p.	$1	...	..	...	...	...	...	x27¼	8½
Do. pref.	100	7	8.43	83	83	83	83	10	83	83
St. Law. Flour, com.	100	.	...	..	...	...	...	...	32	32
Do. pref.	100	7	7.36	..	...	...	...	...	x96	94½
Traymore Caf., com.	n.p.	50c	6.25	8	8	8	8¾	80	8	8
Do. pref.	20	7	...	..	...	...	...	...	x19	18
Viau Bisc., com.	n.p.	.	...	17	16	17	17	315	17	16
Do. pref.	100	7	7.95	88	88	88	88	15	88	88
W. Can. Fl., com.	n.p.	$1.40	3.94	38	35½	36½	35½	562	38	35
Do. pref.	100	6½	6.19	105	104	105	104	85	105	104
W. Grocers, com.	n.p.	$1	2.85	35	30	30	35	192	35	30
Do. pref.	100	7	7.77	90	90	90	88	25	90	88
Weston, com.	n.p.	.	...	105	96	105	100	2031	106¾	96
Do. pref.	100	7	6.79	103	102	102	105	28	110	102
Utilities—										
Bell Telephone	100	8	4.67	171	168	171	169	471	171	166½
B.C. Power (A)	n.p.	2	3.58	56½	55	56	55½	6039	56¾	54½
Do. (B)	n.p.	.	...	39	38¼	38¾	38¾	2147	40	38¼
Calgary Power	100	5	2.94	170	170	170	170	12	170	170
Consumers Gas	100	10	5.18	193	192	192	192	119	193	191
East Koot. Pr.	n.p.	.	...	27	27	27	27	2	27	27
Do. pref.	100	7	7.00	..	...	...	...	...	100½	100
Int. Util. (A)	n.p.	$3.50	7.95	45½	44	45	45	1104	46½	44
Do. (B)	n.p.	.	...	17	16	17	15¾	1000	19	15¼
Inter. Power, com.	n.p.	.	...	29	28	29	29	430	29	28
Do. pref.	100	7	7.17	98	97¼	97¼	98	210	98	97¼
Jam. Pub. Ser., c.	n.p.	.	...	31	31	31	31	520	31	31
Do. pref.	100	7	6.30	113	109	113	109	35	113	109
Laurentide Power	100	5	2.08	..	...	...	...	...	x275	130
Mackay, com.	100	7	5.73	..	...	...	...	...	x133	109½
Do. pref.	100	4	4.81	..	...	...	...	...	x83	66
Mexican Light, com.	100	.	...	70	70	70	78	2	78	70
Do. pref.	100	7	...	..	...	...	...	...	x112	61½
Mont. L. H. P.	n.p.	$2.40	2.21	108½	106½	107	108	6456	110	106½
Mont. Teleg.	40	8	5.92	..	...	...	...	...	54	53
Nor. Mex. Pr., com.	100	4	3.27	121⅞	121¼	121¼	121¼	977	121⅞	121
Do. pref.	100	7	7.52	..	...	...	...	...	x105	93
Ot. & Hull P., com.	n.p.	.	...	..	...	...	...	...	x70	35
Ott. L. H. & Pr., c.	100	6	5.06	120	118½	118½	118½	21	120	118½
Do. pref.	100	6½	6.43	103	100	100	103	140	103	100
Postal Teleg., pref.	100	7	6.76	103½	103	103	102½	25	103½	103
Power Corp., com.	n.p.	$1	...	100¼	98	98	99	8404	103½	97½
Do. pref.	100	6	5.88	103	102	102	102	158	103	102
Quebec Pr., com.	n.p.	$2	2.22	90	87½	87½	88	2763	95	87
Shawinigan	n.p.	$2	2.29	88½*	86	86	88	7180	89⅞	86
S. Can. Pr., com.	n.p.	4	2.16	190	180	190	180	295	190	180
Do. pref.	100	6	5.71	106	105	105	106	17	106¾	105
West Koot. Pr., pf.	100	7	...	..	...	...	...	...	112	106½
Transportation—										
Can. Pacific Rly.	100	10	4.15	240¾	240¾	240¾	242	3	245	240¾
Can. Steam., com.	n.p.	.	...	39	37¾	38	38½	411	39	37¾
Do. pref.	100	6	6.38	95	91¾	93½	90½	944	95	90
Do. Voting	..	.	...	37¾	36½	36½	36½	315	37¾	36½
Tractions—										
Barcelona	50	$1	...	63	63	63	60	30	63	60
Brazilian, com.	n.p.	$2.00	...	82	75½	77	80⅞	180822	82	75⅜
Do. Rights	..	.	...	6.00	4.75	5.00	...	103475	6.00	4.75
Detroit Un. Rly.	100	.	...	¼	¼	¼	¼	50	¼	¼
Duluth Superior	100	.	...	9	9	9	8½	220	9	9
Montreal Trams.	100	10	5.18	193	193	193	193	1	193	185
Do. Rights	..	.	...	4.75	4.00	4.50	5.50	930	6.00	4.00
Ottawa Traction	100	.	...	59	59	59	60	5	60	57
Porto Rico Rlys., c.	100	$4	...	..	...	...	...	...	x67	67
Do. pref.	100	7	7.21	97	97	97	99	5	97	97
Twin City, com.	100	.	...	49½	47	47¼	47¼	480	49½	44
Do. pref.	100	7	...	..	...	...	...	...	106	101
Winnipeg Elec., c.	n.p.	2	1.94	105¼	102½	105	104	1847	109½	102½
Do. pref.	100	7	6.57	107	105	105	107	333	107	105
Textiles—										
Can. Converters	100	7	6.66	105	103½	105	104	120	105	103
Can. Cotton, com.	100	8	7.27	110	110	110	108	55	110	110
Do. pref.	100	6	5.76	..	...	...	...	...	x105	98½
Cosmos Imp., com.	n.p.	.	...	24	22½	23	23	415	24½	22
Do. pref.	100	7	7.00	100	99¾	100	99¾	141	100	95½
Dom. Tex., com.	n.p.	$5	4.42	116½	106	106	117	573	118	106
Do. pref.	100	7	5.66	124	123	123½	124	51	124	118¼
Do. Rights	..	.	...	7.00	5.75	5.75	6.00	6320	7.00	5.75
Monarch Knit, com.	100	.	...	20	20	20	9	10	20	20
Do. pref.	100	.	...	70	70	70	66	10	70	66
Hamilton Cot., pref.	30	$2	6.45	31½	30	31	31½	380	32	30
Montreal Cot., com.	100	6	4.80	125	125	125	130	3	125	125
Do. pref.	100	7	5.83	120	120	120	121	38	121	120
Penmans, com.	n.p.	4	3.96	104⅜	101	102	100	115	104⅜	97
Do. pref.	100	6	5.55	..	...	...	...	...	108	108
R. S. Mills	n.p.	$2	6.06	33	31	32½	31¼	1075	33	31
Tooke Bros., com.	n.p.	.	...	15	15	15	15	210	15	10
Do. pref.	100	7	...	..	...	...	...	...	60	60
Wabasso Cotton	n.p.	.	...	50	50	50	50	63	58	50
Woods' Mfg.	100	.	...	..	...	...	...	...	x38	30
Do. pref.	100	7	8.97	..	...	...	...	...	78	78
Zimmerknit, com.	n.p.	.	...	14	14	14	13	30	14	13
Do. pref.	100	7	8.23	85	80	80	84	323	85	80
General Industries—										
Am. Sales, com.	20	4	2.94	..	...	...	...	...	137	136
Do. pref.	100	7	5.00	141	136	136	140	89	141	136
Asbestos Co., com.	n.p.	.	...	17½	16	17	17	1059	19¼	16
Do. pref.	100	7	11.29	62	61	62	62	319	62	57½
Brant Cd., pref.	25	8	8.69	23½	23	23½	23½	525	24	23
Building Prod., com.	n.p.	$1.60	3.67	43¾	41	42½	43½	3415	43¾	38
Do. pref.	100	7	...	..	...	...	...	...	106	101
Do. Rights	..	.	...	.75	.50	.50	...	5587	.75	.50
Burt, F. N., com.	25	$3	3.44	88½	86	86	87	1550	90	86
Can. Cement, com.	n.p.	.	...	33	31	32½	32½	4259	33	31
Do. pref.	100	6½	6.53	99	98½	98¾	98½	696	99	98
Can. Dredge, com.	n.p.	$3	4.05	75½	64	74½	64½	21855	76	63½
Do. pref.	100	7	3.46	225	200	220	190	26	225	190
Conduits, com.	n.p.	.	...	20½	20¼	20½	20¼	335	20½	19
Do. pref.	100	7	6.93	..	...	...	...	...	x102	101
Cons. Smelters	25	10+40	3.28	385	378	381	380	2815	385	374
Crow's Nest Coal	100	6	9.67	62	58	62	58	53	62	58
Dom. Glass, com.	100	7	4.45	158	152	157	155	900	159½	152
Do. pref.	100	7	5.60	125	125	125	125	23	125	125
Dom. Rubber, pref.	100	7	7.21	..	...	...	...	...	x100	95
Easy Washer	n.p.	$2	5.79	36	33½	36	33½	385	34½	33½
E. Theat., com.	25	$2	7.69	26	26	26	25	25	26	26
Do. pref.	100	7	7.33	..	...	...	...	...	x100	94
Enamel & Heat.	n.p.	$2	5.88	34	34	34	34	235	34	32
Fam. Play., c., new	n.p.	.	...	38	34	37½	37	1856	38	34
Gilman Fan, com.	100	6	2.85	..	...	...	...	...	210	210
Do. pref.	100	7	3.88	..	...	...	...	...	x180	113
Goodyear Tire, com.	n.p.	$5+1	2.51	240	232	239	232	570	240	232
Do. pref.	100	7	6.42	109	108	108	108½	398	109¼	108
Gyp. & Alabas., c.	n.p.	$3	3.15	95	82	89	83	2652	95	74⅞
Ham. Un. Theat., c.	25	.	...	12	12	12	12	40	12	12
Do. pref.	100	7	8.23	85	85	85	87	25	85	85
Holt, Renfrew, com.	100	$3	2.30	..	...	...	...	...	130	130
Do. pref.	100	7	7.14	..	...	...	...	...	100	92
Int. Nickel, c., new	n.p.	.	...	56⅞	52¼	53½	54½	441017	58	46
King Edward Hotel	n.p.	$6.50	10.81	63	59	63	57¼	110	63	56½
Lyall Construct.	n.p.	$3	5.35	58½	56	56	57	1255	61	56
Lindsay, C. W., com.	n.p.	.	...	29	29	29	29	176	30	29
Do. pref.	100	6½	7.06	93	92	92	95	125	93	92
Loew's, com.	100	.	...	..	...	...	...	...	x40	30
Do. pref.	100	7	7.60	..	...	...	...	...	92	92
Mitchell, J. S., com.	n.p.	.	...	73	60	60	60	332	73	60
Do. pref.	100	7	6.33	..	...	...	...	...	x110½	99½
National Brick, c.	100	.	...	8⅜	7	7	6½	155	8⅜	5¼
Do. pref.	100	6	7.18	83½	78	80	79	3145	83½	78
Pacific Burt, com.	100	6	3.27	..	...	...	...	...	x188	110
Do. pref.	100	7	3.48	..	...	...	...	...	x201	120
Photo Engrav.	n.p.	$2	4.81	43½	40	42	39¾	4050	43½	36½
Pt. Hope S., c., new	n.p.	.	...	60	58	60	60	28	60	58
Do. pref.	100	7	...	..	...	...	...	...	x195	120
Rogers, Wm., com.	100	4	5.83	68½	68½	68½	68½	5	68½	68½
Do. pref.	100	7	7.00	100	100	100	100	41	100	99
Sher-Williams, com.	100	6	3.24	200	184½	200	185	392	200	184½
Do. pref.	100	7	6.08	120	105	120	115	37	120	105
Simon & S., com.	n.p.	.	...	50½	47¾	47¾	49	270	50½	47¾
Do. pref.	100	7	6.60	106	105	106	105	70	106	105
Simpson, Robt., pf.	100	6	5.88	102	100½	102	100	91	102	100
Stand. Chem., com.	n.p.	2	6.45	33	25	33	31	85	31	25
Sterling Coal	100	.	...	..	...	...	...	...	x19	13
Tuckett Tobacco, c.	100	4	3.33	..	...	...	...	...	120	120
Do. pref.	100	7	5.98	117	117	117	116	11	117	114⅝
Windsor Hotel, c.	n.p.	.	...	30	29½	29½	30	110	30½	29½
Do. pref.	100	6½	7.22	91	90	91	91	270	92½	90
Beverage—										
Assoc. Brew., c.	n.p.	$1	3.70	27	24	26	24¼	3754	27	22¾
Do. pref.	100	7	7.36	95	95	95	95	165	95	94
Brading Brew.	n.p.	$2	7.14	28	27½	28	28	85	29	25½
Brew. & Distil.	n.p.	10c	...	4¾	4¼	4½	4	1840	4¾	4
Can. Brew.	n.p.	$2	7.14	29	27¼	27¼	28½	1185	30	27¼
Can. Bud	n.p.	.	...	11	10	11	8½	1580	11	8
Canada Dry	n.p.	$4.50	5.62	80	78	80	79½	435	80	78
C. Ind. Alc.	n.p.	$1.52+25	4.26	41½	38¼	40¼	40	12246	47	38¼
Do. (B)	n.p.	.	...	38¾	35	37	35	1497	38¾	35
Can. Malting	n.p.	$1.50	4.83	31	30	30½	30¼	3295	31	29
Can. Wineries	n.p.	.	...	9	8½	8½	9	113	10	8½
Carling Brew.	n.p.	$2	6.45	34	30	30	32½	1340	35½	30
Com. Alc.	n.p.	.	...	25	21	24	24	190	27	21
Cosgrave B.	10	.	...	5	4¼	4¼	4½	555	5	4
Distil-Seagram	n.p.	$1	5.12	25½	18½	18½	19	7738	25½	18
Federal Distil.	n.p.	.	...	1¾	½	1½	1¾	690	1¾	½
Chas. Gurd, com.	n.p.	40c	...	45	42	43½	42	1379	45	40
Do. pref.	100	7	6.36	110	110	110	110	61	110	110
Honey Dew, c.	n.p.	.	...	41	40	40	41	132	43	40
Do. pref.	..	.	...	85½	84	85	85	384	85½	83¼
L. Ont. Brew.	n.p.	.	...	..	...	...	...	...	x30	5
Nat. Brew., com.	n.p.	4	2.96	140	135	135	134½	3445	140	133
Do. pref.	100	7	5.42	..	...	...	...	...	129	128
Nat. Distilleries	n.p.	.	...	14	13	14	13½	270	14	13
Orange Cr., com.	n.p.	.	...	18½	18½	18½	18½	15	20	18½
Do. pref. (A)	100	7	7.21	97	97	97	97¾	10	97¾	97
Do. pref. (B)	n.p.	$2	4.73	42¾	42¼	42¼	43½	20	43½	39¼
Pelissiers	n.p.	.	...	8	7	7	8	115	8	7
Do. pref.	100	7	...	..	...	...	...	...	x103	96
Walker-Good.	n.p.	$3	3.65	87¾	81	81¼	85½	20116	87¾	78½
Oil—										
Ajax	1	.	...	.48½	.43	.44¼	.44	39400	.49	.43
Beacon Oil	n.p.	.	...	28	22	22	27¼	270	28	22
Brit. Am. Oil	n.p.	$1	1.86	54½	52¾	53¼	53¾	14711	55	52
Can. Oil, com.	n.p.	$1	1.63	62	61	61	61	519	62	60
Do. pref.	100	8	6.15	130	130	130	130	25	130	130
Foothills Oil	n.p.	.	...	4.25	4.00	4.00	4.00	900	4.50	4.00
Home Oil	1	.	...	3.80	3.15	3.50	3.16	22078	3.80	3.05
Imperial Oil	n.p.	$1.50	1.52	101½	97	98	100	9952	105	96½
Int. Pete.	n.p.	75c	1.31	59¾	55¾	56½	57	3066	59¾	51
McColl, com.	n.p.	25c	...	32½	31	31½	32	6078	33½	31
Do. pref.	n.p.	6	6.59	93	91	91	91	7	93	91
Do. Rights	..	.	...	..	...	...	...	...	1.80	1.80
North Star, com.	5	.	...	10.00	9.50	10.00	10.00	400	10.00	8.25
Do. pref.	5	7	...	5.25	5.15	5.15	5.25	140	5.30	5.15
Petrol Oil	..	.	...	..	...	...	...	...	x21⅞	11
Super Pet., com.	n.p.	50+25c	1.89	40	36	38	37½	7025	40	32
Do. Voting Trust	..	.	...	40	37½	38½	30	635	40	29½
Do. pref.	100	7	6.79	103	103	103	100	60	103	100
Volcanic Oil	n.p.	$1.45	...	38	38	38	38	430	38½	38
Wainwell Oil	..	.	...	24	21	23	23	28900	24¾	19
Vacuum Gas	1	.	...	3	3	3	3	3000	3	3
Trust, Loan and Insurance—										
Can. Permanent	100	12	4.95	242	240	240	243	9	243	240
Canada Life	100	20	...	..	...	...	...	...	1000	925
Central Canada	100	12+3	3.81	..	...	...	...	...	400	394
Col. Invest.	10	.	...	..	...	...	...	...	x5	4
Econ. Invest.	50	4	3.26	61½	61	61½	61	450	61¼	60½
Huron & Erie	100	8	4.70	..	...	...	...	...	170	170
Landed Banking	100	10	4.93	..	...	...	...	...	x205	200
Mont. Loan	25	12+1	6.00	..	...	...	...	...	x50	48
National Trust	100	12+1	3.42	380	380	380	380	7	380	375
Ont. Equit. 10% pd.	100	6	...	54	50	54	49	610	54	48
Ont. Loan	50	12	4.47	..	...	...	...	...	x140	128
Real Estate Loan	100	7	6.19	..	...	...	...	...	x115	110
Toronto Gen. Trusts	100	12	4.44	270	270	270	275	5	280	270
Toronto Mgr.	50	12	4.80	..	...	...	...	...	x127	114
Union Trust	100	7+1	5.92	..	...	...	...	...	135	135
CURB AND UNLISTED MARKETS										
Asch, com.	n.p.	.	...	30	30	30	31½	55	31½	30
Do. pref.	100	7	7.52	..	...	...	...	...	93	91
Attendu Eng.	1	.	...	5¾	5	5	5½	950	6	5
Belding, com.	100	7	5.34	131	131	131	130	21	131	131
Do. pref.	100	7	6.82	102½	102	102	101½	15	102½	101½
Bissell, com.	n.p.	.	...	40½	35	40	35½	285	40½	35
Do. pref.	100	7	6.46	..	...	...	...	...	x110	102
Blue Ribbon, com.	n.p.	$2	4.76	42	42	42	42	335	43	42
Do. pref.	50	6½	6.77	49	48	48	48	320	49	48
Bruck Silk Mills	n.p.	$1	3.25	31	22	31	22	13665	31	21½
Can. Celanese	n.p.	.	...	24	22	23	24	295	25	22
Do. pref.	100	.	...	53	51	51	53	402	53	51
Can. Light & Power	100	.	...	60	60	60	65	1	66	60
Can. Paving, com.	n.p.	.	...	39	33	39	33½	2163	39	33
Do. pref.	100	7	5.83	132	114	132	114	922	132	107
Can. Marconi	1	.	...	9	9	9	9¾	50	11	9
Can. Nor. Pr., com.	n.p.	.	...	108	108	108	108	27	108	104⅜
Do. pref.	100	7	6.58	110	110	110	106¼	15	110	106¼
Can. Vickers	n.p.	.	...	44¾	36	41	37	3245	44¾	36
Do. pref.	100	7	7.77	90	90	90	92	35	92	90
Can. Vinegar	n.p.	$1.60	4.32	38	27	34½	32	5246	38	27
Cons. Food Products	n.p.	.	...	15	12	14¾	13	1515	15	11¼
Cons. Sand., com.	n.p.	.	...	24	18	23	18	740	24	17½
Do. pref.	100	7	7.52	93	92	93	92	265	93	90⅛
Cooks. Sh. Brick, c.	100	.	...	..	...	...	...	...	x14	14
Do. pref.	100	4	634	..	...	...	...	...	63	63
Corr Paper Box, pf.	100	7	7.42	94¼	94¼	94¼	94	25	94¼	94¼
Dom. Engineering	n.p.	$3.50	3.39	103	102	103	104	820	104¾	102
De Forest	n.p.	.	...	60	48	54½	49	2590	60	48
Dom. Fdy. & St., c.	100	.	...	..	...	...	...	...	x20	5
Do. pref.	100	.	...	..	...	...	...	...	x42	32
Dom. Power, com.	100	.	...	83	81	82⅞	81	1830	85	81
Do. pref.	100	7	6.66	..	...	...	...	...	x106⅜	104⅛
Dryden Paper	n.p.	.	...	34½	31	32	31¾	1960	35¼	31
Durant Motor	10	40c	2.10	23	17½	18	21½	5469	23	13½
E. Dairies, com.	n.p.	.	...	47	46	47	46¼	516	47	43
Do. pref.	100	7	6.86	..	...	...	...	...	x102	99
Eng. Elec., com.	n.p.	.	...	17	17	17	18	3	18	17
Do. pref.	100			..	...	...	...	...	85	85
Farm. Dairy, com.	n.p.	50c	1.61	32	29	30½	27½	2230	32	27
Do. pref.	100	7	6.60	106	106	106	106	5	106	106
Firstbrook, pref.	100	7	7.40	94⅜	94⅜	94⅜	96½	10	96½	94⅜
For. Pr. Secs.	n.p.	.	...	39	38	38	38	457	40	38
Freiman, com.	n.p.	.	...	..	...	...	...	...	x20	19¾
Do. pref.	100	6	...	..	...	...	...	...	x90	90
Gt. W. Sad., com.	n.p.	.	...	26	25	25	25	285	26	25
Do. pref.	100	6½	6.56	99	98	99	98	195	99	98
Humberstone, c.	n.p.	$2.50	6.94	36½	34	35	34	890	36½	34
Hydro-Electric	n.p.	.	...	37½	35½	37	36	1710	37½	32¼
Imp. Tob., com.	5	6+2	3.63	11¼	10¾	11	11	2958	11¼	9
Kemsley Milbourn	n.p.	.	...	..	...	...	...	...	x20	15¼
Loew's London, c.	10	3	...	..	...	...	...	...	x5¾	4
Man Power	n.p.	$3	2.97	105	100	100	100	161	105	99
Mercury Mills	n.p.	.	...	35	34	34	35	22	35	34
Do. pref.	100	6	6.45	93	93	93	93	15	93½	93
Mitchell, Robt.	n.p.	.	...	66½	47	62	46½	8854	66½	41
Do. pref.	100	7	...	155	155	155	125	10	155	155
Montreal Ex.	30	.	...	17	17	17	...	100	17	17
Moore Corp.	..	.	...	36	33⅞	34	35	1454	36½	33⅞
Municipal Ser.	n.p.	.	...	7	6½	7	7	40	7	6½
North Bak.	n.p.	$2	5.12	39	37	38	38	3965	43	36½
Do. Rights	..	.	...	.75	.45	.65	1.05	3328	1.05	.45
Paton Mfg., com.	n.p.	.	...	..	...	...	...	...	53	53
Do. pref.	100	.	...	..	...	...	...	...	x103	102
Perfection Glass	n.p.	.	...	4	3½	3¾	3½	1215	5	3¼
Pub. Utility Invest.	n.p.	.	...	13½	13¼	13½	13¼	55	13½	13¼
Regent Knitting	n.p.	.	...	21	20	20	20	230	21	20
Reliance Grain	n.p.	.	...	44¼	42	42	45	535	45	40
Robinson Cone	n.p.	$1.50	6.00	25	24	25	24	120	25	24
E. L. Ruddy, pref.	100	7	7.21	97	95	97	96	120	97	95
Sarnia Bridge (A)	n.p.	$2	6.66	30	30	30	30½	25	30	30
Do. (B)	n.p.	.	...	30	26	28	24	503	30	24
Serv. Stn. Equip.	n.p.	$1.60+40c	2.94	69⅛	67	67½	67	6737	70¼	58
Do. pref.	100	6	4.34	138	137	137	137	177	140	121¼
Sprucolite	n.p.	.	...	48	40	47	41	815	48	40
Standard Clay	n.p.	.	...	..	...	...	...	...	34½	33
Standard Pav.	n.p.	$1.50+37½c	5.34	35	29½	35	29	5389	35	29
Tamblyn, com.	n.p.	.	...	57	52¾	56	52	2675	57	49⅞
Do. pref.	100	7	7.14	99	98	99	99	25	100	98
Tip Top Tailors	n.p.	.	...	42¼	33½	37½	33	4955	42¼	33
Do. pref.	100	7	7.03	100	99	99½	99	111	100	99
United Fuel, com.	n.p.	.	...	23¼	23	23	23	303	24½	23
Do. pref.	100	6	7.14	84	83¼	84	83	50	86	83
United Secs., com.	100	.	...	..	...	...	...	...	55	55
Do. pref.	100	6	5.72	105	104¼	105	104¼	558	105	104
Waterloo Mfg.	n.p.	$1	2.63	38⅜	29⅞	37½	30	21015	38⅜	26

xQuotations for 1928. No sales recorded in 1929 to date.
†On arrears.

A.J.Pattison, Jr. & Co. LIMITED
INVESTMENT BANKERS
Dealers in Unlisted Bonds and Shares
159 Bay street, (First Floor) Toronto, 2 Elgin: 5101-5102-5103 5104-5105-5106

Dividends Declared

	Rate	Date	Record
Inter. Utilities, pref.	$1.75	Feb. 1	Jan. 17
Dom. Bridge	65c.	Feb. 15	Jan. 31
Bruck Silk Mills, c.	25c.	Feb. 15	Jan. 31
Nipissing	1½%	Jan. 21	Dec. 31
Russell Motor, com.	2+1%	Feb. 1	Dec. 31
Do., pref.	1¾%	Feb. 1	Dec. 31
East. Theatres, pfd.	3½%	Jan. 31	Dec. 31
Abitibi, pfd.	1½%	Jan. 21	Jan. 10
Imperial Bank	3%	Feb. 1	Dec. 31
Cockshutt, c.	75c	Feb. 1	Jan. 15
Penmans, com.	$1	Feb. 15	Feb. 5
Do., pref.	1½%	Feb. 1	Jan. 21
Dome Mines	25c	Jan. 20	Dec. 31
Steel of Canada, c., new	50c	Feb. 1	Jan. 19
Do., bonus	18¾c	Feb. 1	Jan. 19
Do., pref.	50c	Feb. 1	Jan. 19
Do., bonus	18¾c	Feb. 1	Jan. 19
Can. Bronze, c.	50c.	Feb. 1	Jan. 20
Do., pref.	$1.75	Feb. 1	Jan. 20
Waterloo Mfg. "A"	25c.	Feb. 1	Jan. 15
Do., "B"	50c.	Feb. 1	Jan. 15
Belding Cort., c.	3½%	Feb. 1	Jan. 14
Teck Hughes	15c.	Feb. 1	Jan. 17
Can. Dredge, com.	75c.	Feb. 1	Jan. 16
Inter. Paper, c.	60c.	Feb. 15	Feb. 1
Hollinger	1%	Jan. 28	Jan. 11
Foreign Pr. Secs.	1½%	Feb. 15	Jan. 31
Carling Brew.	$2	Jan. 20	Jan. 10
Inter. Nickel, pfd.	1¾%	Feb. 1	Jan. 18
Mercury Mills, pfd.	1½%	Feb. 1	Jan. 15
Ham. Bridge, pfd.	1⅝%	Feb. 1	Jan. 15
Stamfords 1st and 2nd pfd.	1¾%	Feb. 1	Jan. 15
Can. Dredge, pfd.	1¾%	Feb. 1	Jan. 16
Brad. Brew.	50c	Feb. 1	Jan. 15
Royal Bank	3%	Mar. 1	Jan. 31
Humberstone Shoe, c.	50c	Feb. 1	Jan. 15
Pelissiers, pref.	1¾%	Feb. 1	Jan. 15
Brazilian, c.	50c	Mar. 1	Jan. 31
East. Theatres, c.	50c	Mar. 1	Jan. 31
Service Stn., pfd.	1½%	Feb. 1	Jan. 15
Gen. St. Wares, pfd.	1¾%	Feb. 1	Jan. 15
B. C. Pulp, pfd.	$1.75	Feb. 1	Jan. 15

Unlisted Stocks

Recent London Quotations

Brewers & Distillers	18s. 5d.
Calgary Power	165
Hudson's Bay	122s. 6d.
Hudson's Bay, 5% pref.	97s. 6d.
Can. West Lumber	9s. 3d.
Standard Chemical, 7%	27½
Dominion Tar	70s.

Recent Vancouver Quotations

	Bid	Asked
B. C. Telephone, pfd., new 6%	105½	...
Pacific Coyle, com.	10½	13
Gosse Packing, pref.	74	...

Recent Winnipeg Quotations

	Bid	Asked
Beaver Fire Co.	120	...
Can. Fire Ins. Co	...	110
Home Invest. & S. Ass'n	...	76
N. Mtge. 50% paid	30	...
Northern Trusts Co.	...	51
Standard Trusts Co.	...	33
No. Star Oil, pref.	...	5.40
No. Star Oil, com.	...	9.00
West. Steel Prod., pref.	...	97
Do., com.	40	...
Crescent Creamery	101	...

Foreign Exchange

NEW YORK FUNDS

	High (Premium)	Low (Premium)	Last year High (Premium)	Last year Low (Premium)
Jan. 10	15-64	3-16	3-16	11-64
Jan. 11	15-64	3-16	3-16	11-64
Jan. 12	15-64	15-64	3-16	3-16
Jan. 14	1-4	7-32	3-16	3-16
Jan. 15	17-64	15-64	3-16	11-64
Jan. 16	17-64	1-4	13-64	3-16

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Jan. 10	4.84 3-4	3.90 11-16	5.23 1-8
Jan. 11	4.84 11-16	3.90 5-8	5.23 1-8
Jan. 12	4.84 21-32	3.90 3-8	5.23
Jan. 14	4.84 21-32	3.90 7-16	5.23
Jan. 15	4.84 13-32	3.90 1-2	5.23 1-16
Jan. 16	4.84 19-32	3.90 7-16	5.23

FOREIGN EXCHANGE

Par		Jan. 9	Jan. 16
19.30	Italian	5.25	5.24
23.80	German	23.83	23.83
13.90	Belgian	13.93	13.93
49.80	Japanese	45.80	45.42

NEW YORK CURB

	Close Jan. 2	Close Jan. 9	Close Jan. 16
Can. Marconi	9 3-4	9 3-8	8 1-8
Ford Canada	702	778	675
Imp. Oil Can.	102	100 1-2	99 7-8
Inter. Pete.	55 1-2	56 1-2	56 1-2
Int. Util. "A"	46	45	..
Int. Util. "B"	16 1-2	16 3-8	16 1-2
Nipissing	3 3-4	3 1-4	3 3-8
Noranda	66	64 3-4	61 7-8

PULP INDUSTRY DEPENDS SOLELY ON CHEAP POWER

Pulp and Paper Industry Uses One-third of All Power Produced

From Our Own Correspondent

MONTREAL.—Over 28 per cent. of hydraulic power installations in Canada are used to supply the power necessary for the manufacture of pulp and paper, according to a bulletin on the association which exists between the pulp and paper industry and the power industry.

The production of newsprint paper requires about 100 horsepower per ton of output per day and newsprint comprises 84.4 per cent. of the total paper produced in this country. Hence, the reasons why the pulp and paper industry uses such a large portion of the power resources of the Dominion is apparent.

Of the motive power used in actuating the pulp and paper mills, over 90 per cent. comes from waterfalls and less than 10 per cent. comes from the generation of power from coal.

As the mills usually operate 24 hours a day, the industry obviously lends itself to obtaining power from hydraulic sources, as operating costs in hydro plants remain virtually constant whether power is used four or 24 hours daily. Also, the mills using hydro electric power have available off-peak power which may be utilized on a low cost basis for producing steam.

At the end of 1928 the total water power installation in the plants of the Dominion was 5,328,000 horsepower. Of this figure, 1,354,882 h.p. is used in the pulp and paper industry itself has water powers producing 565,352 h.p. and buys 789,530 h.p. from central stations. Of the total of 1,354,882 h.p. used in the industry, 1,071,873 h.p. is hydro electric and the remainder is hydraulic power.

While the hydraulic installation utilized by the industry is over 28 per cent. of the total installation of the whole Dominon, the power purchased from central stations in 1927 amounted to almost 33 per cent. of all the power produced for sale by central electric stations and earned for the power companies approximately $11,500,000.

The difference between the 28 and the 33 per cent. figures lies in the fact that virtually all the power companies operate under a load factor less than their total horsepower capacity.

The use of steam in the industry is limited. Total installations amount to only 120,352 h.p. or 8.2 per cent. of the total power installation.

Harley, Milner & Co.
(Members Toronto Stock Exchange)
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350 BAY STREET, TORONTO
Telephone Adelaide 9071
HAMILTON—LONDON—WINDSOR—ST. CATHARINES
F14R

Flood Barnes Active Bond Prices

January 9th, 1929

	Price	Rate	Years to Maturity	Next Int. Date	Yield %
Agric. Mtge. Bk. of Colombia Gtd. S.F. 7's due '47	98¾	7	19	Jan. 15	7.12
Alberta Pacific Grain 1st S.F. 6's due '46	102½	6	18	June 1	5.78
Argentine Govt. 6's Series B due '58	100½	6	30	June 1	5.96
Asbestos Corp. 1st Ref. S.F. 6's due '41	100	6	13	July 1	6.00
Asbestos Corp. Gen. Mtge. S.F. 6's due '56	90	6	28	July 1	6.80
Bell Tel. of Canada 1st 5's Series B, due '57	103	5	29	June 1	4.80
Brazil, United States, Ext. S.F. 6½'s, due '57	95½	6½	29	Apr. 1	6.86
Can. Cement Co. 1st Mtge. S.F. 5½'s due '47	102½	5½	19	May 1	5.28
Canada Power & Paper Coll. Trust 5½'s due '58	89	5½	30	July 1	6.31
Canada Paper 1st S.F. 6's due '45	103	6	17	June 4	5.72
Can. Light & Power 1st S.F. 5's due '49	95½	5	21	July 1	5.35
Canada S.S. Lines 6's 1st and Gen. Series A due '41	102¾	6	13	Apr. 15	5.70
Canada S.S. Lines Consol. 5's due '43	103¼	5	15	Feb. 15	5.35
C.P. Rly. Coll. Trust 5's due '34	101¼	5	6	Apr. 15	4.75
C. P. Rly. Secured 4½% Notes due '44	98¼	4½	16	Apr. 15	4.64
Can. Goodrich Income 7's due '43	70	7	15	....	...
Chile Repub. Ext. S.F. 6's due '60	93½	6	32	Apr. 1	6.48
Columbia Repub. Ext. S.F. 6's due '61	91	6	33	Apr. 1	6.68
Dom. Iron & Steel Consol. S.F. 5's due '39 (£)	72	5	11	Mar. 1	...
Donnacona Paper Co. 1st S.F. 5½'s due '48	97	5½	20	Feb. 1	5.75
Donnacona Paper Co. 6's Debentures due '48	97¼	6	20	Feb. 1	6.23
Duke Price Power 1st S.F. 6's Series A, due '66	105½	6	38	May 1	5.65
Fraser Companies 1st S.F. 6's due '50	102	6	22	July 1	5.83
Fraser Companies 6½'s Debentures due '42 (Cum. Stock Rights)	109	6½	14	Apr. 1	5.56
French Line Ext. S.F. 6½'s due '51	102	6½	23	Feb. 15	6.32
French Nat. Mail S.S. Line Ex. S.F. 6's due '52	100	6	24	May 1	6.00
General Steel Wares 1st S.F. 6's due '52	102	6	24	May 1	5.84
Gatineau Power 1st S.F. 5's due '56	97¾	5	28	June 1	5.15
Gatineau Power S.F. Debs. 6's due '41	101½	6	13	June 5	5.83
Hydro Electric Bond & Share Corp. Coll. Trust S.F. 5's due '47	96½	5	19	May 1	5.24
Manitoba Power 1st S.F. 5½'s due '51	102½	5½	23	July 1	5.30
Massey-Harris Co. 1st Mtge. 5's due '47	98½	5	19	Apr. 15	5.12
Mtl. Coke & Mfg. 1st S.F. Series A 5½'s due '47	102	5½	19	June 1	5.33
Mtl. Light Heat & Power Cons. 1st Ref. & Coll. Trust 5's Series A, due '51	101¾	5	23	Apr. 1	4.87
Mtl. Tramways 1st Coll. Tr. 5's Series "A" due '41	100	5	13	July 1	5.00
Mtl. Tramways Gen. & Ref. 5's Series "A" due '55	99	5	27	Apr. 1	5.07
Nova Scotia Steel & Coal 1st S.F. 5's due '59	75	5	21	July 1	...
Northwestern Utilities 1st S.F. 7's due '38	104½	7	10	June 1	6.37
Port Alfred Pulp & Paper 1st S.F. 5½'s due '57	98	5½	19	May 1	5.68
Price Bros. 1st S.F. Series "A" due '43	106	6	15	Feb. 1	5.41
Quebec Power Co., 1st Mtge., Coll. S.F. 5's, due '68	98¾	5	40	June 1	5.06
Shawinigan Water & Power Co. 1st Mtge. Coll. S.F. 4½'s, due '68	96	4½	40	June 1	4.73
Southern Can. Power 1st 5's Series A, due '55	101¼	5	27	Apr. 1	4.93
United Grain Growers 1st Mtge. 5's due '48	97	5	20	July 2	5.25
United Securities Coll. Trust S.F. 5½'s Series A, due '52	102	5½	24	May 1	5.35
Wayagamack Pulp & Paper 1st S.F. 6s due '51	103½	6	23	July 1	5.71
Winnipeg Electric Ref. 6's due '54	104½	6	26	Apr. 1	5.70

Listed Bond Quotations

Year Ending January 15

	Int. Rate	Due	Yield	Ask	Latest Price Bid	Latest Price High	Latest Price Low	Range 1928 High	Range 1928 Low	Range 1929 High	Range 1929 Low
Montreal—											
Asbestos	5	1942	...	....	100	...	...	106	96	100	...
Asbestos, 1st mtge.	6	1941	6.63	98¼	95	94⅜	...	103	96	95¾	94⅜
Asbestos, gen. mtge.	6	1956	7.16	87½	86	86	85½	99½	84	86	84½
Can. Car	6	1939	5.04	....	107¾	...	...	108	106½	...	...
Can. Cons. Rubber	6	1946	...	....	103½	...	...	103½	102½	...	...
Can. Cottons	5	1940	...	....	...	...	...	99½	98⅞	...	...
Can. Forgings	6	1942	...	....	...	...	...	98	...	...	...
Can. Locomotive	6	1951	6.14	....	...	...	...	100	98¼	...	...
Can. Pr. & Pr. deb.	5½	1958	6.30	89	88	89¼	88	94	83	89¼	86
Can. S.S. deb.	5	1943	4.90	....	...	...	...	103¼	101	...	...
Cedar Rapids	5	1953	4.86	....	...	...	...	105¾	96⅞	...	...
Dom. Canners	6	1940	5.48	....	...	...	...	104¼	102	...	...
Dom. Coal	5	1940	5.24	....	...	...	...	99⅞	95	98⅛	...
Dom. Iron	5	1929	8.45	....	...	...	...	102	94	...	...
Mex. Elec.	5	1942	8.88	....	...	...	...	78¼	69¼	...	...
Mex. L. H. & Pr.	5	1940	...	....	...	...	...	87¾	70	...	...
Mont. L. H. & Pr.	4½	1932	5.34	....	...	...	...	97	...	...	...
Mont. Tr. 1st mtge.	5	1941	5.06	99⅞	99¼	99¼	99	102¼	98¼	99¼	99
Mont. Tr. "A"	5	1955	5.13	98½	97¼	98	97	102	97½	98½	97
Mont. G. & R. S.F. "B"	5	1955	...	98½	97¼	...	...	102	95	...	...
Nat. Brew.	6	1939	...	....	...	...	...	105	104¾	...	...
N. S. Steel	5	1959	...	....	...	...	...	77	69	...	...
Ogilvie Flour "A"	6	1932	5.43	....	102½	...	...	103½	101	...	...
Do. "B"	6	1932	...	....	102½	...	...	103	102	...	...
Do. "C"	6	1932	...	....	...	...	...	104	...	...	...
Ont. Steel	6	1943	5.58	....	104	...	...	104	103⅝	104	...
Porto. R. Rly.	5	1936	...	....	...	...	...	91¾	...	...	...
Steel of Can.	6	1940	5.20	108½	...	107	...	108	104	107	...
Wabasso	6	1947	5.91	....	...	101	...	103½	101	101	...
Wayagamack	6	1951	6.00	....	100	100	...	105¼	100	100	...
West. K. Power	6	1940	...	....	...	...	...	101	...	...	...
Winn. Elec.	5	1935	...	....	...	...	...	100	99	...	...
Toronto—											
Canada Bread	6	1941	5.82	108	107½	...	...	108½	107	101½	...
Can. Canners	6	1950	5.83	....	102	...	...	102½	101	...	...
Dom. Canners	6	1940	...	....	...	...	...	104	104	...	...
Porto R. Rly.	5	1936	...	....	92	...	...	92½	92	...	...
Postal Tele.	5	....	...	94	...	93¾	93	95¾	93¾	93¾	93
Steel of Can.	6	1940	...	107½	...	...	...	108	108	...	...
Dominion Govt. Bonds (Montreal)—											
War Loan	5	1931	4.85	100.50	100.10	100.35	.....	102.85	99.90	100.25	99.90
Do.	5	1937	4.60	102.40	102.15	102.40	.....	106.40	102.25	103.00	102.40
Victory Loan	5½	1933	4.96	102.50	102.10	102.45	101.80	106.50	101.90	102.50	102.00
Do.	5½	1934	5.05	102.10	102.00	102.24	101.75	105.85	101.15	102.10	101.70
Do.	5½	1937	4.65	106.15	105.85	106.05	105.50	110.95	105.50	105.85	105.30
Do., Refund	4½	1940	4.54	98.10	97.40	98.20	97.45	102.70	98.20	99.70	98.40
Do., Refund	5	1943	4.78	102.70	102.30	102.35	102.05	106.10	101.30	102.20	102.00
Do., Refund	4½	1944	4.53	98.60	97.90	98.25	98.00	103.05	98.50	98.15	98.00
Do., Refund	4½	1946	4.54	98.80	98.10	98.25	.....	103.20	98.40	98.50	98.40
Do., Renewal	5½	1932	5.10	101.25	101.05	101.25	100.80	104.45	100.80	101.00	100.70

STOCKS and BONDS
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Without Allowance Earns Only 45c. a Share—President Satisfied

From Our Own Correspondent

MONTREAL—The annual report of the National Distilleries clearly reveals that the company experienced a bad year. Even without considering depreciation account, earnings on the common amounted only to 45 cents a share. The reasons for the unsatisfactory showing can be attributed in part to the keen competition which reduced profits at the commercial alcohol plant in St. Boniface, Man., and to the fact that the Lachine distillery has only been in operation for six months.

Profit and loss account shows surplus at organization of $20,268, to which is added net profits for the period, before depreciation, amounting to $62,494, leaving balance at profit and loss of $82,762.

On the balance sheet, net working capital is shown at $284,094, current assets amounting to $846,303, and current liabilities to $562,209. Total assets are $2,222,371, comprising $1,338,782 for property and plant; $2 for trademarks; $45,284 deferred charges; $192,191 for receivables; $629,112 for inventories; and $25,000 for stock subscription since paid. Among the liabilities there are bank loans of $420,000; payables and accruals of $142,209; preferred stock is carried at $329,400 and common stock at $1,248,000.

Remarks of President

It is understood that during the period under review approximately $25,000 was written off organization expenses, underwriting costs, etc., which does not appear in the statement and which would have increased the earnings by that amount. This being a non-recurring charge, next year's balance sheet will not need to reflect a similar disbursement.

In presenting the report to shareholders, president D. N. Finnie says in part:

"In June, 1928, the Lachine plant came into operation, and up to November 30 last, the total quantity of spirits of all kinds manufactured at Lachine was approximately 500,000 gallons.

"The equipment installed was proved highly efficient, and the estimated cost of production, quality and volume, have fully met our expectations.

"The 'National' brands of whiskies and gin have been in popular demand, and each month of the company's sales have steadily increased.

"In view of your company's main unit, the Lachine, Quebec, plant being in operation only six months, we believe the report submitted should be considered very satisfactory."

CAN. PERMANENT REPORTS GROWTH IN NET PROFITS

Funds from Britain Decrease, But Cash from Canada Greater

Canada Permanent Mortgage Corp. had profits of $1,046,788 in the year ended December 31, 1928, compared with $1,009,601 in the previous year. Twelve per cent. dividends on the $7,000,000 of capital required $840,000 of this. The reserve fund was increased by $500,000 to $8,000,000 and the sum of $98,919 is carried forward at credit of profit and loss.

Mortgages on real estate now stand at $58,578,125, compared with $53,469,446 at the close of the previous year. Total assets are up $67,167,242 from $63,661,691.

Sterling debentures are down more than $1,000,000 to $12,281,955, but dollar debentures show a notable increase, from $21,146,849 to $24,247,436. Savings deposits are up from $13,149,623 to $14,465,550.

Following is the company's record since 1913:

Year	Paid-up Capital	Profits	Earned %	Div.
1913	$6,000,000	$884,626	14.7	10
1914	6,000,000	876,765	14.6	10
1915	6,000,000	872,105	14.5	10
1916	6,000,000	866,126	14.4	10
1917	6,000,000	852,325	14.2	10
1918	6,000,000	824,532	13.7	10
1919	6,000,000	827,984	13.8	10
1920	6,000,000	854,277	14.2	10
1921	7,000,000	896,366	*13.7	12
1922	7,000,000	903,019	12.9	12
1923	7,000,000	911,789	13.0	12
1924	7,000,000	922,683	13.1	12
1925	7,000,000	946,167	13.5	12
1926	7,000,000	967,724	13.9	12
1927	7,000,000	1,009,601	14.4	12
1928	7,000,000	1,046,788	14.9	12

*$6,000,000 for the first six months and $7,000,000 for the second six months.

CENT. CANADA LOAN & SAVINGS DEPOSITS GROW

Profits Somewhat Less Than in Previous Year

Central Canada Loan & Savings had net profits of $390,687 in 1928, compared with $463,809 in 1927. The profit last year was approximately 15 per cent. on the capital of $2,500,000, compared with a profit of 26 per cent. on the capital of $1,750,000, which was paid up at the end of the previous year.

While debentures outstanding remain at virtually the same figure as a year ago, there has been a notable increase in deposits, these now standing at $5,011,989, compared with $3,633,849 the previous year.

Dividends of 3 per cent. per quarter on the paid up capital in the year totalled $277,500 and the special bonus on the $2,500,000 of capital at the end of the year made an additional payment of $75,000. The sum of $250,000 has been appropriated out of profit and loss to bring the reserve fund to $2,000,000.

Mortgages and accrued interest total $1,407,338, compared with $1,228,815 at the end of the previous year. Demand loans against stocks and bonds are up from $1,313,304 to $2,370,338. The company's own investments in government bonds, other bonds and debentures total $6,634,544, compared with $6,569,124 a year ago. Cash totals $567,714.

The record of the company follows:

Year	Paid-up Capital	Profits	Earned %	Div. Rate
1920	$1,750,000	$206,787	12.1	10+3
1921	1,750,000	199,863	11.4	10
1922	1,750,000	199,177	11.4	10
1923	1,750,000	217,357	*12.4	10+2
1924	1,750,000	237,213	13.5	11½+1½
1925	1,750,000	257,481	14.7	12+2
1926	1,750,000	386,478	22.0	12+8
1927	1,750,000	463,809	26.5	12+6
1928	2,500,000	390,687	15.6	12+3

Reis Addresses Toronto Underwriters

F. W. Reis, Jr., of the Canada Life addressed the January luncheon of the Toronto Life Underwriters' Association on the subject of "Becoming Life Insurance Minded."

Mr. Reis is manager of the West Pennsylvania branch of the Canada Life Assurance Co., president of the Pennsylvania State Life Underwriters' Association and past president of the Life Underwriters' Association of Pittsburgh.

Sherwin-Williams Might Split Stock

From Our Own Correspondent

MONTREAL.—This week, for the first time since 1927, the shares of the Sherwin-Williams Company bounced up over the $200 figure. Like the rise which occurred two years ago, the present appreciation was immediately accompanied by rumors of a split in the stock. The company is a steady earner and has steadily progressed. Obviously the rumors now stand a better chance of being correct. Gossip has it that the directorate will shortly consider splitting the shares three, or four for one.

CEMENT POSITION IS STRENGTHENED; COMMON EARNS 5C.

First Annual Report of New Company is Made Public

Canada Cement Company did little better than earn its preferred dividends in the first fiscal year of the new company, covering the period to November 30, 1927. However, this was after writing $1,600,000 off assets and setting up various reserves totalling nearly $600,000. Cash position was considerably strengthened. Earnings on common were equivalent to about 5 cents a share.

Earnings showed an increase. In 1924 earnings available for fund interest and depreciation totalled $3,924,892. Late in 1927 the company was recapitalized and no statement was issued for 1927. Rather the date of the fiscal year was changed, the new period ending November 30 instead of December 31. Earnings for the twelve months to November 30, 1928, available for bond interest and depreciation totalled $4,673,774 an increase of $750,000 in the two year period.

The first year's profit and loss account is as follows:

		Year to Nov. 30
Profits		$4,673,774
Less: Depreciation		1,598,874
Net profits		$3,074,900
Deduct:		
Bond interest	$1,100,000	
Fire insurance res.	152,949	
Reserve for repairs and renewals	25,000	
Reserve for sacks	150,000	
Reserve for accidents	20,000	
Contingent reserve (taxes, etc.)	230,000	
Preference sinking fund	2,076	
		1,680,027
		$1,394,874
Deduct:		
Dividends on preferred stock		1,365,000
Balance		$ 29,874

The company has consolidated its balance sheet considerably since September 30, 1927, the date of the last statement made public. Accounts receivable have been reduced from $1,923,658 to $864,138. Inventories have not increased greatly. Cash has increased from $103,533 to $817,231. Working capital position compares as follows:

	Nov. 30 1928	Sept. 30 1927
Current assets	$5,537,804	$4,929,217
Current liabilities	1,418,171	2,143,759
Working capital	$4,119,633	$2,785,458

Apparently, considerable investments have been made in plant for this account shows an increase of nearly $800,000 despite the writing off of $1,600,000 for depreciation.

A. C. Tagge, president says:

"The generally prosperous business conditions that have prevailed throughout Canada during the past year have brought about a better demand for cement, and sales of our product have shown some increase in all districts. The largest increase was in Western Canada, and this increase enabled us to make a substantial reduction in Western prices during the year. This is in line with our policy of reducing prices when volume of business and economies in operation make it possible to do so.

"Our export business has not shown the increase that had been hoped for. It is becoming more and more difficult for us to compete with the low labor costs and low freight rates of European competitors, and our export shipments have remained practically stationary for the past three years.

"During the year your Company has disposed of its holdings in the securities of the Consumers Glass Company Limited. Its interests in Pennsylvania Gypsum Company at Chester, Pennsylvania, have also been disposed of to the Atlantic Gypsum Products Corporation of Portsmouth, New Hampshire, with whom an arrangement has been made for supply of the raw gypsum rock required by our eastern plants. This rock will come from quarries in Nova Scotia now operated by that Company for the supply of rock for its own requirements. While this arrangement is in force our deposits of gypsum in Nova Scotia will not be operated, but will be held in reserve for the future.

"Owing to the difficulty of draining the pit supplying clay for our Winnipeg plant, and the expense of handling and drying the very wet clay, it was decided to change that plant from 'dry' to 'wet' process. This change was carried out during the winter of 1927 and 1928, and the plant was put into operation on 'wet' process last June. Improved operating conditions and increased efficiency have amply justified the change.

Additional clay properties have been purchased near our Belleville plant, which will provide the clay requirements for that plant for many years to come."

National Life Business Increases by $1,380,000

National Life Assurance Company issued $11,706,080 of new business in 1928, this representing an increase of $1,373,899 over the figures for the year 1927. Business in force now totals $54,034,727, the net increase being $5,144,843.

Reference is made in the directors' report, signed by the president, A. H. Beaton, to the decision of the company to purchase a site on University Avenue, Toronto, for the erection of a new home office building. This building is now well under way.

Comparative figures follow:

	1927	1928
Business—		
Insurance issued	$10,332,181	$11,706,080
Total in force	48,891,384	54,034,727
Income—		
Total income	2,025,851	2,194,018
Assets—		
Total assets	8,477,384	9,339,457
Reserves	7,464,389	8,201,898

Few Changes in Report of Montreal Telegraph

From Our Own Correspondent

MONTREAL.—The annual report of the Montreal Telegraph Company for the fiscal year ending December 31, 1928, exhibits the same even tenor of the company's affairs which marks the appearance of the report each year. The fixed assets of the company are identical with those of the previous year. Cash, investments and accrued revenue are shown at $98,569, an increase of nearly $4,000. Under liabilities, the sum placed to contingent fund is $43,281, an increase of over $4,000. The reserve for 1928 income tax is shown at $13,200, a decrease of $1,200.

Income received from the Great North Western Telegraph Company during 1928 was $165,000, from which $160,000 was paid in dividends

Abitibi and Canada Power Both Close Down Mills

From Our Own Correspondent

MONTREAL.—The intention of the Abitibi Power and Paper Company to close its Espanola mill, and the shutting down of the Cap-de-la-Madeleine mill of the Canada Power and Paper Company for one week, are not indicative of any material change in the newsprint industry. Both Abitibi and Canada Power and Paper have several other mills, which, due to the hesitancy in the demand, can well take care of their complete requirements by operating nearer capacity.

Profits of Woods Mfg. Hit by Operating Troubles

From Our Own Correspondent

MONTREAL.—The annual report of the Woods Manufacturing Company is now being prepared. According to authoritative sources the statement will show earnings of a little over $1 a share on 17,106 shares of common stock outstanding.

The volume of business handled is reported to have shown a satisfactory increase over 1927, but on account of difficulties experienced in the operating end for the first nine months of 1928, the company did not make the profit it should have made. An improvement was noted in the final quarter.

Digby Wyatt Joins Bongard

Bongard and Co. announce that they have secured the services of Digby Wyatt, who graduated from the University of Toronto as a civil engineer before entering the brokerage business. He came to Messrs. Bongard and Co. from Logan and Bryan, members of New York and other leading exchanges.

The Bank of Toronto Completes Another Record Year

Capital and Surplus over all liabilities to the public totals $12,901,175

The addresses of Mr. W. G. Gooderham, President, and Mr. H. B. Henwood, General Manager, delivered to the Shareholders of The Bank of Toronto at the annual meeting held in Head Office, January 16th, were as follows:

Mr. W. G. Gooderham, President.

My first word to you today must be an expression of satisfaction and thankfulness. The rising tide of prosperity to which we have referred at our Annual Meetings for some years past has continued during the year just closed, and many new peaks have been established.

Field crops in all the Provinces have been good, although early frosts in the West reduced yields and grades, and grain prices are lower than a year ago. Agriculture, however, has enjoyed a succession of good years, and is now in excellent financial condition. This industry is, and will probably remain, the most important single factor in our economic situation, and it is therefore good to see conditions for the farmer improving, not only financially but in all those things which add to the measure of comfort available to him.

Manufacturing lines have on the whole enjoyed a good year. In construction there has been unusual activity, while the orders handled by the iron and steel companies, railway equipment and similar basic industries, have also been very large. It is seldom, of course, that all our industries are prosperous together. At the present time the newsprint companies are in a period of over-capacity and price-cutting, from which we can only hope that they may emerge on terms which will permit of stable operation.

Mining steadily makes new records, and we continue to be optimistic in regard to the future of this industry. The mineral output for 1928 shows a gain of 10% over 1927, and there are a number of mines in process of development which should be of importance within a few years. Increasing attention is being directed to the base metals, and it is likely that Canada will shortly occupy an even more important place in the world's output of nickel, copper, lead and zinc. This not only broadens our mining industry, but also suggests a basis for much greater development of the metal and chemical industries.

Foreign trade statistics continue to make a satisfactory exhibit. During a period of five years ending 31st October last, our exports show a gain of twenty-four per cent. and our entire foreign trade a gain of thirty-four per cent. Cumulative favorable balances for the same period amount to over one billion and one-quarter million dollars. These facts alone tell the story of our material progress during recent years.

This being a new country and not one-quarter filled, the question of increasing our population continues to be of first importance. The progress made since the war is admittedly not satisfying. Possibly our efforts are being limited too much to the British-born. Possibly, also, we are overly afraid of a certain amount of seasonal unemployment. On the other hand, it is better to be patient than to flood the country with people who will not be self-sustaining when here, or to admit those whose political ideals are radically different from our own. A year ago we suggested that the natural advantages of this country, if properly advertised, would gradually attract the right kind of immigration in increasing numbers, and we still have confidence in this view. In the meantime, we must be content to make haste more slowly than we could wish.

One of the most satisfactory features of the year is the substantial improvement in railway earnings, both gross and net. The National System may now be said to be out of the woods and a real asset to the country. Canada is growing up to her railways, as we ventured a few years ago to say would be the case.

The benefits of scientific research, not so long ago almost exclusively at the disposal of wealthy corporations able to command the services of scientists and to equip their own laboratories, are being more widely extended through Governmental agencies and through industrial co-operation. No effort is likely to give greater rewards in the discovery and application of new materials, processes and economies, and in combating disease inimical to plant and animal life, and increasing the productivity of the soil. The noticeable gains in wealth and the improved standard of living in progressive countries are traceable largely to the work of the scientific investigator. The attention and support now being given to this subject promises very important commercial benefits to this country within the next few years.

Runaway stock markets have featured the year, particularly in New York. There is a basis for some increase in the general level. Industrial corporations are more progressive than was the case some years ago; management is more scientific and more open minded; operations are being subjected to the most keen analysis, economies are being introduced, science and invention encouraged, and while the wage-earner and the consumer also benefit, surpluses and equities are being built up. It is only natural and proper that increasing equities and earning power should be reflected in the level of share prices, but after all favorable factors are considered, it is probable that speculation has carried the market too high. As to this, it is doubtless idle for me to express an opinion, as the counsels of caution have little honor with the speculative public. One feature of the situation, however, is clearly evident—the absorption of vast sums in stock speculation has curtailed the supply of funds available for strictly investment securities and caused a fall in prices. This is not good for business, as there is a tendency to hold up projects involving long-term financing. There has, however, been no scarcity of bank credits for what we call legitimate purposes; that is, the production and distribution of goods.

Savings deposits in the banks, from which source advances to the agricultural and commercial activities of the country are chiefly supplied, show yearly increases averaging 78 millions of dollars for the past three years, and over 100 millions for the last year. Advances of the class to which we have referred are, however, showing a tendency to expand even more rapidly, the yearly increase over the same period of three years averaging 106 millions of dollars and164 millions during the twelve months ending October last. Bankers are therefore likely to become increasingly critical of the use of credits for speculative purposes.

The completion of another bank amalgamation during the year now leaves only ten banks in the field. There is sometimes heard the suggestion that banks in our class in point of size may have difficulty in holding their own against the larger institutions. We have no apprehension whatever on this score. In the five years just passed public deposits in all the banks, excluding foreign branches, have increased by 32%. Our own increase has been 36%. Looking back over a ten year period we find that our increase has been 49% against 30% shown by all the banks.

The very large bank possesses some advantages, chief of which is in being more conspicuous, but there are compensating advantages to the bank of moderate size, and it has, in fact, been our experience that destructive competition comes not from the strong and well-established banks. A few years ago there was undoubtedly a too competitive situation in Canadian banking—too many banks and too many branches. There are still too many branches, but the situation has been improved to the advantage not only of the remaining banks, but of the country. No banking monopoly can, of course, arise, since any group of men who think that there exists a public need and that therefore profits can be made by a new bank, and who apply under proper conditions, will doubtless receive a Charter.

In view of the expansion of our business during recent years it was felt that we were outgrowing our capital, and during the year, as you know, ten thousand new shares were offered to shareholders at $200 per share, in the proportion of one new share for each five old.

We are pleased to be able to advise you that the new shares have practically all been taken up and 80% paid in full on the day the allotment became effective.

The new capital places us close to the top of the list in point of percentage of shareholders' investment to public liabilities.

In conclusion, let me say to you that as a Bank we enter the new year with confidence. Our business is clean, our earning power progressive and our reserves increasing, and perhaps best of all, we number a growing list of friends who find our service satisfactory and with whom our relations are intimate and cordial. We like to think that our Bank possesses an individuality of its own, and some good qualities peculiar to ourselves. At least we endeavor to give intelligent, sympathetic and painstaking banking service, and in so doing build up that important, if intangible, asset known as good-will, from which we derive increasing public support as well as great personal satisfaction.

Mr. H. B. Henwood, General Manager.

Mr. Chairman and Gentlemen:

The 73rd Annual Balance Sheet of your Bank, covering our operations for the year ending 30th November last, which is before you, shows very satisfactory results, and I think may be taken as some reflection of the continued prosperity of Canada during the past year.

Our funds have been actively employed throughout the year, and we have been fortunate in having a pretty clean sheet as to losses.

After making ample provision for all known or anticipated losses, we have been able to bring down net earnings of $1,264,970.82, of which, after providing for a dividend of 12% and bonus of 1%, and the amounts necessary for taxes, officers' pension fund and an appropriation for our Bank Premises, there remains the sum of $254,970.82, which, added to the sum of $646,204.29 carried over from last year, enables us to carry into the new year the sum of $901,175.11 at the credit of Profit and Loss Account.

Touching the important items in the statement, I might say that our total assets at the close of our year stood at $135,273,454.52. Of this amount $61,088,532.96 or 49.92% of our total liabilities to the public, was represented by liquid assets composed of cash, notes of and cheques on other banks, balances due by other banks, high-grade Dominion, Provincial and Canadian municipal securities, British and foreign securities, Railway Bonds, Debentures and Stocks, Call and Short loans in Canada against bonds, debentures and stocks, all of which could be easily and quickly converted into cash. These securities have been valued in our statement on a very conservative basis.

Current Loans and Discounts, including the sum of $5,451.34, representing non-current loans, stood at $67,921,525.81, an increase over the figures of a year ago of $2,240,181.98. This is the department of banking wherein the greatest risks necessarily have to be taken; losses occur in spite of the closest scrutiny and supervision of loans, often unavoidable owing to circumstances beyond our control, but from my more intimate knowledge of our business during the past year I can say that not only this year but as a matter of fixed policy for many years, the reserves set up against our loans and discounts amply protect us in such contingencies as I have mentioned.

Bank Premises account stood at $3,287,387.81, a slight decrease for the year of $23,884.98. We are never done with the expense of building, and renewing, and I foresee that in 1929 our expenses in this direction may be heavier than usual. The value of our properties as set down in the statement is not over 50% of their cost.

Among the important items in the Liability column, notes of the Bank in the hands of the public stood at $9,090,028.00, or $4,090,028.00 more than our paid up Capital. This excess amount is provided for by deposit of Dominion notes and gold, dollar for dollar, with the Dominion Government for the protection of the public, and constitutes one of the reasons for the recent increase in our paid up Capital.

Deposits at $105,326,798.52 are $4,024,148.89 above any previous figures—at least a moderate improvement, probably modified to some extent by the heavy withdrawals during the year of previous balances for investment purposes. The number of our depositors, however, has steadily increased.

Our Capital and Surplus over all liabilities to the public stands at $12,901,175.11, equivalent to 12.24 per cent. of our liability to our depositors. It has been a matter of some satisfaction to us that for many years the Capital and Surplus of The Bank of Toronto has always been maintained at a somewhat higher percentage to our Deposits than the average shown by all Canadian Banks.

The President in his address has covered the general business conditions in Canada during the past year. If I may, I would like to say a few words regarding our Foreign Trade:

During the year ending October 31st last, our foreign trade reached the very large sum of $2,560,808,000.

Our sales abroad were $1,358,504,000. Our purchases abroad were $1,202,305,000, leaving a balance of trade in our favor of $156,199,000.

Our trade by countries was divided as follows: We sold to United States $513,000,000. To the United Kingdom, $455,000,000. To other countries $391,000,000. We bought from United States $806,000,000; from the United Kingdom $192,000,000; and from other countries $205,000,000. The balance as against us in the United States was $293,000,000. The balance in our favour with the United Kingdom was $263,000,000, and with other countries $186,000,000.

These figures are very interesting in that they give us an indication of the direction of our trade—where we buy and where we sell.

One would say that an ideal position of our trade with any country would be a fairly even balance between what they buy from us and what we buy from them.

Our Foreign trade is not as well balanced as it might be.

The United Kingdom bought from us $263,000,000 more goods than we have bought from them. Foreign countries, other than the United States, have bought $186,000,000 more of our goods than we have bought from them, and of the total of our favorable trade balances represented by these figures, $449,000,000, we are obliged to use $293,000,000 to pay for our excess purchases from the United States.

The United States sells more goods to Canada each year than to any other country in the world, but unfortunately with twelve times the buying power on a basis of population, they bought $293,000,000 less of our goods last year than we bought from them. It is natural that these two countries adjoining each other across a continent should trade together, but it is not good business for us that we should have to take from our favorable balances of trade with other countries to pay for excess purchases of American goods. Our neighbors to the South should correct this by buying more from us, but if it does not suit them to bring this situation more into adjustment in a way that will at least put our trade with each other on a more even basis, it would seem that this country must try to increase its sales elsewhere by diverting as much as possible of its excess purchases from the United States to those countries who are better customers of ours in order to reciprocate as fully as possible their purchases from us.

There are many reasons why we should increase our purchases from the United Kingdom. We take some pride in the fact that we are a part of the British Empire; they are our people, our destinies are bound up together. Since the great war Great Britain has been putting forth strenuous efforts to restore her foreign trade. The Empire Marketing Board has been doing its utmost to further the development of trade within the Empire, and it is here that we can help them in this great struggle. I believe in Empire trade. After the stupendous losses in the great war it seems to me, if we recognize our obligations to our own people in Great Britain who will for years bear the brunt of taxation that is today a serious burden to them, the very least we can do is to divert as much of our foreign purchases as possible to British Empire goods. In this way the profit on these goods will go to our own people, and I believe to the extent that we are able to follow this policy we shall never have cause to complain that Empire purchases from Canada are not adequate to offset our purchases.

From the sentimental angle, we like to think that goods produced within the British Empire, including Canadian made goods, carry the hall mark of real value with their price ticket, and to the extent that we need goods made in other parts of the British Empire I am sure our people will readily give preference to goods displayed as British Empire products.

We are now under way in a new trade agreement with the West Indies, which is being implemented by a fine steamship refrigerator service, operated in conjunction with our National Railways. I believe that our trade under this agreement is capable of considerable increase, and will mean much in the development of greater Empire trade as well as increased traffic for our Railway Systems, but we must not view it from the angle of our export trade only. We must make a careful survey of the goods these Islands produce, and divert as much of our purchases to them as possible, to encourage them to increase their purchases of the goods we can sell to them.

This diversion of our purchases abroad to those countries that buy freely from us, and especially The British Empire, is a subject that deserves the most careful attention and study of our

1. Department of Trade and Commerce
2. Our Tariff Commission
3. Canadian Chambers of Commerce
4. Exporters and Importers generally.

for it is certain that for many years until increased population in this country brings about a large increase in our Domestic trade, we must be an exporter of the large surplus of grain and agricultural produce that we have from year to year, and it would seem that a more careful analysis of our trading possibilities with other countries should enable us to spread our purchases very much to our advantage.

Staff:

I would not have you leave this Annual Meeting with the thought that the credit for the fine results obtained during the past year belong to the chief executives of the Bank. The great volume of our business is obtained by those who represent us in the field of our operations. Competition among Banks is keen, and without the support of a fine body of earnest, conscientious men who know their business and understand how to render acceptable service to our friends, we would not get far in the development of business. We like to reward these services in a tangible way, but to this meeting I would like to express my thanks to every member of the Staff for the fine co-operation and keen interest they have given to the business of the Bank during the past year.

Seventy-third Annual General Report

PROFIT AND LOSS ACCOUNT

The Balance at credit of Profit and Loss, on 30th November, 1927, was		$ 646,204.29
The Net Profits for the year, after making full provision for all bad and doubtful debts, and deducting expenses, interest accrued on deposits and rebate on current discounts, amounted to the sum of		1,264,970.82
		$1,911,175.11
This sum has been appropriated as follows:—		
Dividend No. 186, Three per cent	$ 150,000.00	
Dividend No. 187, Three per cent	150,000.00	
Dividend No. 188, Three per cent	150,000.00	
Dividend No. 189, Three per cent	150,000.00	
Bonus of 1% payable 1 Dec., 1928	50,000.00	
		$ 650,000.00
Tax on Circulation	$ 50,000.00	
Reserve for Accrued Taxes	100,000.00	
Transferred to Officers' Pension Fund	60,000.00	
Written off Bank Premises	150,000.00	
		360,000.00
Carried forward to next year		901,175.11
		$1,911,175.11

GENERAL STATEMENT, *(30th November, 1928)*

LIABILITIES

Notes of the Bank in Circulation		$ 9,090,028.00
Deposits bearing interest, including interest accrued to date of statement	$81,940,602.61	
Deposits not bearing interest	23,386,195.91	
		105,326,798.52
Balances due to other Banks in Canada (daily exchanges)	1,689,203.44	
Balances due to Banks and Banking correspondents in the United Kingdom and Foreign Countries	2,372,805.60	
		4,062,009.04
Bills Payable		791,418.45
Quarterly Dividend, payable 1st December, 1928	150,000.00	
Bonus of 1% payable 1 December, 1928	50,000.00	
Dividends Unpaid	2,532.00	
		202,532.00
Letters of Credit outstanding		2,649,493.40
Liabilities not included in the foregoing		250,000.00
		$122,372,279.41
Capital paid up	$ 5,000,000.00	
Rest	7,000,000.00	
Balance of Profit and Loss Account carried forward	901,175.11	
		12,901,175.11
		$135,273,454.52

ASSETS

Current Gold and Silver coin	$ 381,921.14	
Dominion Notes	7,518,653.00	
Deposit in the Central Gold Reserves	4,880,866.66	
Notes of other Banks	633,475.00	
United States and other foreign currencies	89,613.09	
Cheques on other Banks	10,812,842.86	
Balances due by Banks and banking correspondents elsewhere than in Canada	7,406,589.88	
		$ 31,723,961.63
Dominion and Provincial Government Securities, not exceeding Market value	$13,437,115.99	
Canadian Municipal Securities and British, foreign and colonial public Securities other than Canadian not exceeding market value	3,522,277.22	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	2,228,850.09	
Call and Short (not exceeding thirty days) Loans in Canada, on Bonds, Debentures and Stocks and other securities of a sufficient marketable value to cover	10,176,328.03	
		29,364,571.33
		$ 61,088,532.96
Other Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful Debts	$67,916,074.47	
Non Current Loans (estimated loss provided for)	5,451.34	
		$ 67,921,525.81
Deposit with the Minister for the purposes of the Circulation Fund		272,413.20
Mortgages on Real Estate Sold		54,101.34
Liabilities of Customers under Letters of Credit, as per contra		2,649,493.40
Bank Premises, at not more than cost, less amounts written off		3,287,387.81
		$135,273,454.52

W. G. GOODERHAM, *President.*

HARVEY B. HENWOOD, *General Manager.*

TORONTO, *30th November, 1928.*

AUDITORS' REPORT TO THE SHAREHOLDERS

To the Shareholders of The Bank of Toronto:

We have examined the books and accounts of The Bank of Toronto at its Head Office and have been furnished with certified returns from the branches, and certify that the above statement of liabilities and assets as at 30th November, 1928, is in accordance therewith and in our opinion discloses the true condition of the Bank. The Bank's investments and the cash on hand at the Head Office and at the Toronto and Montreal Branches were verified by us as at 30th November, 1928. We have received all the information and explanations we have required, and all transactions of the Bank which have come under our notice have in our opinion been within the powers of the Bank.

D. McK. McClelland, *of the firm of Price, Waterhouse & Co.*

W. D. Glendinning, *of the firm of Riddell, Stead, Graham & Hutchison*

TORONTO, 22nd December, 1928.

1928

ONTARIO SURVEY FORECASTS LOWER FIRE PREMIUMS

Five-Year Record Indicates Losses Low in Some Places

A detailed study of experience on fire risks in Ontario over a five-year period has been completed by R. Leighton Foster, superintendent of insurance for Ontario, and is available for the first time in Canadian insurance history.

Classified under 157 items, formerly the classification of the National Board of Fire Underwriters, the survey permits an exceedingly close study of the fairness of rates on various types of risks. Under the Dominion classification of 27 items, formerly available, very little information was made public.

According to the survey, there seems, little doubt that certain classes of risks pay a higher premium than is necessary while other classes secure the benefit of these inequalities. The recent action of the Canadian Fire Underwriters' Association in promulgating new fire rates on dwellings in certain parts of Ontario that amount to decreases of 10 to 15 per cent. is in line with the experience in these classes in Ontario during the past five years. Further study of the rate situation arising out of the report of the department may result in reductions on other classes of risk.

In many of the classifications the figures are not large enough to afford data for rate-making purposes. Conclusions, however, may be drawn in a number of the larger classes.

The superintendent's comments on the new schedules are as follows:

"As intimated in my report of last year, the Department has now completed the compilation of five years' experience on fire risks in Ontario, of all insurers other than local Farmer's Mutual Companies, Associated New England Mutuals, and the Reciprocal Exchanges. This experience is printed in Appendix IV to this report and is classified according to the system of fire hazards formerly in use by the National Board of Fire Underwriters.

"It is not contended that the volume of premiums and losses and the period covered are sufficient to warrant any sweeping conclusions as to the adequacy or reasonableness of rate for all of the classes of risk therein listed. Obviously the figures are so small in many cases that no credibility attaches to them for rate-making purposes. I submit, however, that conclusions may safely be drawn in this respect in some important classes. For example, Class 10, i.e., dwellings (excluding seasonal and farm risks), apartments, etc., shows a loss ratio of 38.54 per cent. for all brick, frame and fireproof dwellings, protected or unprotected. On 'Brick Protected' dwellings, however, the loss ratio is only 26.28 per cent. as compared with 55.04 per cent. for 'Brick Unprotected.' For 'Frame Protected' and 'Frame Unprotected' the loss ratios are 35.20 per cent. and 68.32 per cent., respectively. The loss ratio for either construction is about twice as great in the 'Protected' as in the 'Unprotected' risks. It would at least appear that the premium rates as between protected and unprotected dwelling risks are not in accordance with the relative hazards."

For example, in mercantile buildings which may or may not have lodge rooms above, the ratio of claims paid to premiums written for the various classes is as follows: Frame, protected — 50.88 per cent.; frame unprotected, 48.15 per cent.; brick protected, 47.6 per cent.; brick unprotected, 46.11 per cent.; fireproof, 7.97 per cent. In mercantile stocks such as clothing, furs, etc., the loss ratio is as follows: frame protected ratio — 132.63 per cent.; frame unprotected—153.28 per cent.; brick protected — 133.19 per cent.; brick unprotected — 54.29 per cent.; fireproof—10.28 per cent.

Finer classification such as has been undertaken by the Ontario Department of Insurance will enable further study of the question of rates by the public and will in all probability eventually result in a more fair schedule of rates than is possible at present.

Tape Readings

FRAZER COMPANIES

Some important buying is evident in the stock of Frazer Companies. Doubling of the company's capacity in 1928, should result this year in a material increase in the company's earnings, applicable to the common shares. There have been rumors of negotiations whereby International Paper would buy the stock at a price considerably in advance of the present market, but there appears to be no means of learning whether or not there is any basis for the reports.

* * *

INTERNATIONAL PROPRIETARIES

Shareholders of International Proprietaries at a special general meeting on January 12, ratified the change in the dividend provisions whereby the Class A shareholders get an extra 20 cents per share before the Class B shareholders get anything. In further payments, four-fifths go to the 105,000 shares of Class B and one-fifth to the 210,000 shares of Class A.

The meeting was brief, and there was no other business. It was officially stated, however, that earnings are growing rapidly and that the outlook is highly promising. At the issue price of $40, the new dividend on the Class A stock gives a yield of about 6½ per cent.

* * *

PHOTO-ENGRAVERS

Advance of five points in the market value of Photo-Engravers & Electrotypers recently was attributed to an order for 1,000 shares by an important Canadian financier who has been looking into this company for some time. The company is reputed to be earning about $5 per share on the common stock, so at $40 it is selling at only eight times its earnings. Some further expansion of the company is said to be under discussion by the directors.

* * *

TIP TOP TAILORS

It is reported that Tip Top Tailors will show earnings for 1928 considerably in excess of those for the previous year, when $447,000 was reported as applicable for dividends on the $1,500,000 of seven per cent. preferred and 120,000 shares of no-par common. This would indicate earnings of between $3.50 and $4 per share on the common stock, before deduction of 10 per cent. of the net for preferred stock sinking fund. The sinking fund provision becomes effective April 1, 1929, and applies to the 1928 profits.

* * *

NATIONAL STEEL CAR

National Steel Car achieved a new high this week on reports that shareholders soon would be offered the privilege of buying new shares at $75. The company's plant at Hamilton has a practicable capacity of twenty freight cars per day. The site allows for expansion. It is possible that some expansion is deemed necessary.

* * *

CANADIAN INDUSTRIAL ALCOHOL

Although the price war in industrial alcohol continues, it is believed that Canadian Industrial Alcohol earnings have not been affected seriously. Despite the corporate name, the main source of profit is from beverages.

* * *

MOND NICKEL

Theoretically, Mond Nickel shares should be selling at the price of International Nickel. Actually, Mond has a market value about $2 per share less than International Nickel. One reason is the nuisance of handling this English stock. The certificates by January 18 were to have been deposited with the National Trust Co. for forwarding to London and there is a doubt at this time if there can be trading in the shares during the time the certificates are so tied up. There are British transfer fees to be considered, also. It probably will be six weeks or more before Canadian shareholders of Mond are in possession of the equivalent number of shares of International Nickel of Canada.

* * *

ARNOLD BROS.

In an article concerning Consolidated Food Products a week ago it was inadvertently stated that the Arnold average sales per store in the two weeks prior to Christmas totaled $8,000. This was incorrect, as was doubtless obvious to those familiar with chain-store operations on this continent. There was one store in the Arnold chain which is said to have equalled $8,000 per week prior to Christmas, but the average for the chain was between $1,800 and $2,000, it is stated.

The rest of the article was substantially correct, it is admitted from a quasi-official source.

Hudson's Bay Co. Ready for Traffic

As forecast in The Financial Post three months ago, Hudson's Bay Co. will handle both passengers and freight on its steamers. Completion of the railway is expected to create traffic on Hudson's Bay.

"We are now taking in hand a complete reorganization of our transport system on the Athabasca, Mackenzie and Peace rivers, which will include the building of new steamers and barges," said Governor C. V. Sale recently, "the company's northern fleet, which has distinguished itself in the safe landing of passengers and freight during past years, will be augmented and improved.

"We are preparing for traffic in Hudson Bay, so that when the railway is opened up we shall be in a position to undertake transport from railhead of both passengers and cargo."

Sword Over Chicago's Head —But it's Same Old Sword

Chicago Will Have to Put End to Diversion Eventually, But No Early Action is Seen

By M. M. WILNER

The decision of the United States Supreme Court in the Chicago water diversion case does everything to Chicago except to make that city stop diverting the lake water.

The court holds that the sanitary district has "defined the authority of the national government resting in the secretary of war"; that the diversion, or the greater part of it, "was without any legal basis because made for an inadmissible purpose"; that the duty of the court is "to compel the reduction of the diversion to a point where it rests on a legal basis"; that the city has "much too long delayed the needed substitution of suitable sewage plants"; that it "cannot now complain if any immediate heavy burden is placed upon the district."

Define Officials' Powers

Moreover, the court lays down two distinct points of law respecting the authority and duty of United States officials, and these are of particular interest to Canadians for their bearing on the international phases of the question. The court sustains the claim that the power of the secretary of war to authorize diversion is only for navigation purposes. It asserts emphatically that the secretary's power is to "maintain the navigable capacity of Lake Michigan and not restrict or destroy it by diversions."

As a logical consequence of this reasoning, the court holds that the complainants, who in this case were other lake cities, "are entitled to a decree which will be effective in bringing that violation (of law) and the unwarranted part of the diversion to an end.

Time to Change Policy

But—

"In keeping with the principles on which courts of equity condition their relief, and by way of avoiding any unnecessary hazard to the health of the people of that section, our decree should be so framed as to accord to the sanitary district a reasonably practicable time within which to provide some other means of disposing of the sewage, reducing the diversion as the artificial disposition of the sewage increases from time to time, until it is entirely disposed of thereby, when there shall be a final, permanent, operative and effective injunction."

So, whatever may happen hereafter, for the present Chicago will continue to divert the lake water.

"Same Old Sword"

A good many years ago, when Arthur Balfour, as he then was called, was premier of Great Britain, and the political observers were daily predicting a hostile vote in parliament which would accomplish his downfall, Punch cartooned him as Damocles sitting in his chair with a sword suspended over his head by a hair, and Mr. Balfour was represented as saying unconcernedly: "Same old sword."

Chicago is in somewhat the position that Mr. Balfour was pictured. Chicago is sitting in the chair of Damocles. The sword is hanging above her head by a hair. But it is the same old sword.

In more direct language, the illegality of which Chicago is now so forcibly convicted is the same old illegality of which she has been guilty these many years.

The Chicago sanitary commissioners never had a legal right to divert water for other than navigation purposes, and good engineers have estimated that 1,000 cubic feet per second would be enough for all legitimate navigation. The Chicago interests never had a right to lower lake levels, and the war department never had the authority or apparently the intention to permit them to do so.

Nevertheless, Chicago, under pretext of promoting navigation which hardly can be said to exist in fact outside the limits of Chicago's own harbor, has been diverting steadily more and more water till the quantity exceeds 10,000 cubic feet per second, and it is an open secret, unknown officially to the court, that a big power-development has been created by means of the diversion.

Is It Going to Fall?

Is the sword of Damocles really going to fall this time or will the sustaining hair continue to hold?

The court again has called into service a special master to investigate and determine the rate at which the diversion may be checked as the sewage disposal plants are built, but Chicago has succeeded in getting away with so much that, with no reflection on the sincerity of the court or the determination of the special master, who is Charles E. Hughes, former secretary of state, the situation still invites some cynicism.

One feature of the problem is that local public opinion in Chicago is a stronger force with the authorities of the city and district than are decrees of the federal government. And public opinion in Chicago has been fed with dreams of bringing ships up from the Gulf of Mexico duplicating the power of Niagara Falls till office-seekers are convinced that abandonment of the projects would mean their political death.

Still, Chicago is one city, and the United States is a big country. Furthermore, Canada also is a big country with an interest at stake in this matter. It is better to be hopeful than cynical. Law and equity are on the side of those who are opposing the diversion. Chicago cannot resist forever.

Hearst Buys into Newsprint Company

From Our Own Correspondent

MONTREAL.—An interesting rumor is in circulation here indicating that negotiations are now under way which, if consummated, will give William Randolph Hearst, the U.S. publisher, a financial finger in the Canadian newsprint pie. It is said that Mr. Hearst may obtain control of, or a substantial interest in, some Canadian newsprint company. The rumor completely lacks any official confirmation. Should William Randolph Hearst buy into the Canadian newsprint industry, he might perhaps be willing to change his attitude on prices for the coming year.

OFFERS PREFERRED IN WESTERN GRAIN

$2,000,000 of Stock Carries 30 Per Cent. Common Bonus

Following the offering of $3,000,000 of first mortgage bonds of the same company, Wood, Gundy & Co., have offered for public investments $2,000,000 of 6½ per cent. cumulative preference shares of Western Grain Co. The price is par with a bonus of three shares of no-par common with each ten shares of preferred. Capitalization of the Western Grain Co. will be $3,000,000 of bonds, $2,000,000 of preferred and 200,000 shares of common.

Details of the issue follow:

$2,000,000
WESTERN GRAIN CO.
6½% Cumulative Preference Shares
Par Value $100

Company: Will acquire assets and undertakings of Western Terminal Elevator Co., Western Elevator Co., State Elevator Co., Central Grain Co., Spencer Grain Co., Beaver Elevator Co. These businesses have been established for from 19 to 27 years.

Earnings: Average net earnings for last six fiscal years have been $426,809, which is more than three times the dividend requirements. These earnings are, after deducting all operating expenses, mortgage interest and depreciation, amounting to $144,984 annually.

Assets: Appraised value, exclusive of working capital, at $5,157,737. Working capital was $669,777 at the close of the last fiscal year. Combined assets total $6,157,737, or $157 for each share preference stock after providing for first mortgage.

Preferred stock provisions: Preferred as to capital and dividends. Dividends payable quarterly. Redeemable in whole or in part at $110 on 60 days' notice. Non-voting except when in arrears six quarterly payments or when special rights of preferred holders are affected.

Management: Same as have guided constituent companies.

Offer: January, 1929, by Wood, Gundy & Co. at $100 and accrued dividend, with bonus of three shares of common with each ten of preferred.

NIPISSING ON CROW RIVER

Nipissing Mines has optioned 22 claims close to N.A.M.E. and Connell holdings in Crow River. It is said that the vendors retain one-third interest, and the option was taken by one of the field engineers.

MONTREAL'S SUPREME BUSINESS LOCATION

Architects:—Ross & MacDonald.
Contractors:—Geo. A. Fuller Co., Ltd.

The New DOMINION SQUARE BUILDING

Largest and most Splendidly Equipped Office Structure in the Empire

The ground floor, mezzanine floor and the first office floor of the magnificent new DOMINION SQUARE BUILDING, now in process of construction on the entire block bounded by Dominion Square and Peel, St. Catherine and Metcalfe Streets, will be ready for its tenants on July 1.

A large portion of each floor will be progressively made available for occupancy every ten days thereafter. By the end of the year, this dominating structure at Montreal's busiest corner will be wholly completed and housing many of Canada's largest corporations and outstanding business firms.

FIRST PORTION READY FOR OCCUPANCY BY THE FIRST OF JULY

ENTIRE BUILDING READY FOR OCCUPANCY BY THE END OF THE YEAR

GARAGE OPEN JUNE 15

Room for 600 cars will be available in the four underground floors of DOMINION SQUARE BUILDING. A wide sloping ramp will give easy access to this parking space, so vitally required at this busy location. The rapid elevator service will extend to all four parking floors and will enable tenants in the building to be in their offices a few seconds after driving in with their cars. Motor-driven fans in basement and roof will force plenty of fresh air into this garage, which will be featured by the most up-to-date equipment and service.

NO EXPENSE has been spared to make DOMINION SQUARE BUILDING fully the equal in appearance and equipment of the finest on the North American Continent.

FOUR IMPOSING FACADES

Executed according to the Italian Renaissance style in genuine stone and solid bronze, DOMINION SQUARE BUILDING will present equally imposing facades on all four sides — St. Catherine Street, Peel Street, Metcalfe Street and Dominion Square. On St. Catherine Street, the building has been set back ten feet from the present sidewalk line in order to take care of the increased traffic which the stores and offices in DOMINION SQUARE BUILDING will create at this point.

ESCALATOR-EQUIPPED ARCADES

The entire first and second floors, comprising a rentable area of some 50,000 square feet, will be devoted to shops and similar premises requiring direct contact with the public. Show windows and shop entrances will line all four sides of the building, and also both sides of wide Arcades running parallel to St. Catherine and Peel Streets. Extending up through two storeys, these Arcades will open up the interior of the building to the shopping public and will connect the Second or Mezzanine Floor directly with the street by means of a battery of escalators of the most modern type.

MAGNIFICENT MEZZANINE

This Mezzanine Floor, with its large show windows overlooking both the street and the interior Arcades, will constitute an ideal location for Specialty Shops, Brokerage Offices and similar concerns. It will afford office space of the most attractive kind, as all shops and offices on both First and Second Floors will be sumptuously finished; walls and ceilings in decorated plaster — woodwork in Walnut or Mahogany — floors in marble and Terrazzo and covered with beautiful rugs. The Mezzanine Floor also provides a Ladies' Rest Room.

EIGHT AUTOMATIC ELEVATORS

Eight elevators, equipped with automatic floor landing devices, will operate at a speed of 600 feet per minute from the centre of the Arcade. The operator will simply have to press the proper button; the car will stop at the required floor; doors and gates will open — all automatically.

DECORATIVE INTERIOR

Halls, corridors and offices in DOMINION SQUARE BUILDING will fittingly carry out the building's rich exterior. Travertine Marble floors, marble walls, decorative ceilings and solid bronze railings will be used on the Arcade and Mezzanine Floors. Marble Terrazzo floors, marble borders and bases, Travertine walls and ornamented, coloured plaster ceilings will render the elevator halls equally impressive.

METROPOLITAN OFFICE STANDARDS

Individual offices will be finished and equipped according to the most modern metropolitan office standards. Large light recesses, open to the street, will give them all the advantages of plentiful light and air made possible by DOMINION SQUARE BUILDING'S commanding situation on three streets and Dominion Square. Clean and efficient heating will be assured by the use of fuel oil.

SUPREME BUSINESS LOCATION

Here is the place for your business—in Montreal—just a couple of minutes' walk from Montreal's four big hotels and just a step from the two railway depots! Take advantage at once of this unique opportunity. Decide now to locate at the busiest corner in Canada, in the largest and Most Splendidly Equipped Office Building in the Empire!

Phone or write us when it will be convenient for us to call with complete details. Every assistance will be gladly given you in choosing the space in DOMINION SQUARE BUILDING which will most perfectly meet the needs of your business. The entire building will be ready for occupancy by the end of the year, so an early selection, when the widest choice of space is available, is strongly advised.

DOMINION SQUARE BUILDING

St. Catherine, Metcalfe, Peel Streets and Dominion Square

LAURENTIAN REALTY CORPORATION

Renting Agents and Building Managers

TEMPORARY OFFICE: 1470 PEEL STREET TEL. UP. 5734

Commercial Aviation in Canada

This department will appear every fourth week in The Financial Post.

NATIONAL AIR MAKE HEADWAY IN SIX MONTHS

Toronto Transport Company Issue Progress Report on Work

National Air Transport Limited, Canadian distributors of "Buhl Aircraft," concluded their first six months of operation on December 31, 1928. During that period the company has engaged in a variety of flying activities.

Since starting operations in July, of 1928, the company's planes have flown between 30,000 and 40,000 miles. Besides passenger service the company has carried freight and express and on several occasions His Majesty's mails. In addition special charter trips and advertising assignments have been undertaken.

Toronto-Windsor Service

In November the company inaugurated a daily passenger and express service between Toronto and Windsor. Planes leave the Toronto airport at Leaside at 9 a.m., and the Walker airport, Windsor, at 1 p.m. daily except Sundays.

The company is the owner of the fastest commercial aeroplane in Canada. This plane a "Buhl" special has a top speed of 140 miles per hour. In addition the company owns and operate a "Buhl" airsedan and a deHavilland "Moth," used in carrying passengers doing short taxi trips. An interesting feature of the company's equipment is a radio broadcasting outfit which the company have the right to operate from an aeroplane.

The company has a capitalization of 5,000 shares Class A no par value common, and 20,000 Class B no par value common. Class A shares were offered at $100 per share carrying a bonus of one share of Class B with each share of Class A.

MONTREAL 'DROME FIGHTS PROBLEMS OF SNOWY FIELD

Snow Packed By Heavy Rollers for Wheel Landings

From Our Own Correspondent

MONTREAL.—Steps have been taken at the St. Hubert airport, outside Montreal, to enable the air mail services from Montreal to Toronto and New York to be continued without hindrance during the winter months. The fact that aeroplanes have to land on a snow-covered aerodrome, provides certain difficulties to planes which leave New York aerodromes on wheels.

Planes of the Canadian Colonial Airways, which maintain the air mail service between Montreal, Albany and New York, are now fitted with skis and wheels. The ski is an attachment through which the wheel is able to pass, protruding downwards to a depth of 6 inches from the bottom of the ski. When landing on taking off from ground, the wheel is brought into use, while the ski functions when the plane flies from deep snow.

However, heavy rollers have been established at St. Hubert, which will be used to pack down the snow. Thus it is expected that a hard surface on snow will be maintained, which will enable planes to land on wheels during the winter months.

Winter Markings for Runways

Another problem which confronts the air port authorities is that of a suitable method of marking the runways during the snow period. It is planned to mark the runways with square discs painted yellow and black, which will stand out well against the white background. However, as it would be necessary to clear these after every snow storm, arrangements are being made to keep the discs at a temperature above freezing, so that falling snow will be melted.

The airship mooring mast at St. Hubert has been completed. It has been painted yellow and black, and stands out vividly at all times of the year.

Work is still continuing on the winding gear for handling airships mooring at the mast, though all the machinery is now on the ground and much is in position. The steel structure is 200 feet in height and searchlights will be installed at its summit to guide night fliers. It is expected that all operations will have been completed in time to receive the British dirigible R 100 when it arrives in Montreal in the spring.

The road to the airport is in excellent condition, and members of the Montreal Light Aeroplane Club still continue to avail themselves of the facilities which Montreal's air port offers for flying.

Aviation Body Will Aid Commercial Flying Work

From Our Own Correspondent

MONTREAL.—The formation of an Aviation Committee of the Canadian Chamber of Commerce is expected to aid materially the promotion of commercial aviation in Canada, and the carriage of air mail. Representatives of every province have now been appointed to the committee.

Dr. J. W. Ross, chairman of the executive of the Canadian Chamber of Commerce, has stated that the Aviation Committee has been formed to amplify and intensify aerial communication in Canada.

The committee members are as follows: H. R. Stewart, of Charlottetown, P.E.I.; R. J. R. Nelson, general manager of the Halifax Shipyards, Ltd.; J. D. McKenna, president of the St. John Telegraph-Journal; Col. Bruce Payne, of Granby, Que.; Brig.-General C. H. Mitchell, chairman of the committee, of Toronto; D. B. McColl, manager of the Hydro-Electric Commission, of Walkerville, Ont.; John Hunter, secretary of James Richardson & Sons, Winnipeg; G. C. Rooke, C.A., of Regina; A. H. Weaver, manager of the Imperial Bank of Canada, Calgary; G. H. Cottrell, superintendent of the Canadian Pacific Railway, in British Columbia, Vancouver.

Canadian Aviation Shows Great Strides

There are 55 commercial aviation companies in Canada, according to a report of the Department of National Defence. This is more than twice the number in operation a year ago. There are also fifteen private owners and 16 flying clubs. One concern carried 9,647 passengers and 1,192,000 pounds of freight during 1928. Besides the freight and passenger work the companies are engaged in forestry and fisheries patrols, prospecting work in the north and grain-dusting in the Prairie Provinces.

On January 1, 1929, there were 333 airplanes in operation in the Dominion or more than three times the total of 101 on the same date in 1928. Of this total 246 were engaged in commercial pursuits and 87 in government services. During the year air harbors in Canada increased to 44 as compared with 25 at the opening of 1928, and licenses held by commercial pilots increased by more than four times from 40 to 190.

Big Plane Plant to be Erected by Curtis-Reid

From Our Own Correspondent

MONTREAL.—Plans for the erection of a large new plant by the Curtiss-Reid Aircraft at the company's air-port at Cartierville, are nearly completed, and it is thought that construction will start within the next month. The new plant will have an ultimate capacity of 350 to 500 planes a year.

All the financing, whereby the Curtiss Aeroplane and Motor Company assumed control of Reid Aircraft, has been completed. The new company will go ahead with its plans, having the benefit of the assistance of the Curtiss Company which holds a dominating position in the aircraft industry in the U. S.

The Curtiss-Reid Aircraft will continue to manufacture the Reid Rambler aeroplane, under the supervision of its designer, W. T. Reid, who is president of the company.

PROGRESS RECORDED IN AERIAL ACTIVITY

Large Increase Shown in Number of Aeroplanes in Operation

From Our Own Correspondent

MONTREAL. — Great strides have been made in Canadian aviation during 1928. There were three times the number of aeroplanes in operation on January 1, 1929, than were flying on the same date a year ago. The number of air harbors in Canada has been almost doubled in the past year, and licenses held by commercial pilots were more than quadrupled.

This development of aviation is gratifying. Indications for the coming year point to still larger increases than those recorded in 1928.

Activity in the north has been largely responsible for the rapid progress of aviation in Canada. Aeroplanes are being used, not only for air mail and passenger flying, but also as essential factors in prospecting and development work in the rich mineral areas of the north country.

Aviation has rendered invaluable assistance in the construction of the Hudson Bay Railway and in weather observation work in the Hudson Straits.

The announcement of the department of National Defence that 70 new machines will be purchased this spring for civil government operations, is significant of the assistance which aerial activities render to the government. The new machines will be used for forestry patrol, weather observation duty and grain dusting. Other machines will be used for training purposes.

Comparative figures at January 1, are as follows:

	1928	1927
Aeroplanes in operation:		
Dom. govt. air operations	87	...
Prov. of Ontario	21	...
Commercial co's. (51) ..	210	...
Private individuals	15	...
Total	333	101
Licensed air harbors ..	44	36
Hours flown	51	20
Passenger miles	†2,200,000	1,424,031
Mail carried (lbs.)	†300,000	14,684
Licensed pilots	190	72

† Estimated.

Order for D.H. Moths Will Keep Plant Busy

From Our Own Correspondent

MONTREAL.—De Haviland Aircraft of Canada, Limited, have secured an order for 34 de Havilland Moth light aeroplanes from the Department of National Defence. The order, which includes six spare Gypsy engines, is worth approximately $200,000. The machines will be used for re-equipping the Royal Canadian Air Force.

Twenty-eight of the planes will be fitted with wheels and sent to Camp Borden. They will replace the old Avro training machines now in service. The remaining six Moths are seaplanes, which will be used for service at government flying station in Vancouver.

All these machines will be fitted with the Hambley-Page automatic slots, which render an aeroplane as nearly fool-proof as possible. Metal fuselages will be embodied in the construction of these machines, a development which has been especially evolved for Canadian flying conditions. The machines will be partially manufactured in England, but will be assembled and tested at the de Havilland Company's plant at Mount Dennis. Delivery is expected by March 31, 1929.

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AIR MAIL SERVICE WILL FORGE AHEAD DURING NEXT YEAR

Much Valuable Groundwork Already Achieved by Department

Air mail in Canada will be an important factor during 1929. Last winter the Post Office Department let contracts for five mail services in the latter class, serving points on the lower Gulf of St. Lawrence, the Magdalen Islands, Pelee Island and the Red Lake mining areas. During the summer season of navigation, overseas mails were carried from Rimouski to Montreal, Toronto and Ottawa with a time saving of as much as 48 hours in delivery.

The following air mail services have been inaugurated: Winter—Leamington to Pelee Island; Quebec to Seven Islands and Anticosti Island; Moncton to Magdalen Islands.

Summer—Rimouski to Montreal and Ottawa.

Year round services—Montreal to Toronto; Montreal to Albany and New York; Kississing to The Pas; Lac du Bonnet to Bissett and Wadhope; Sioux Lookout to Red Lake Area.

The Winnipeg-Regina-Calgary service, with Winnipeg-Regina-Saskatoon-Edmonton service, is of an experimental nature. It was operated daily from December 10 to December 31, and then discounted. It is learned that tenders for this service will be called in the spring.

The following routes are under survey: Toronto-Buffalo, Toronto-Windsor-Detroit, Winnipeg-Ottawa, and Halifax-St. John, N.B.-Montreal. It was planned to start operating the latter service this winter, but nothing definite has yet been done. A suggestion has been made that mails from incoming liners at Halifax should be carried by air to St. John and there put aboard a Canadian Pacific train for Montreal, thereby saving a day in delivery.

Carriage of air mail is now being done on a mileage basis in order to assist operating companies in developing the service. There is no public realization of the advantages of air mail transportation, and no air transportation firm could afford to handle mail on the poundage basis at present, comparatively little offering. When the volume has increased, it is probable that arrangements will be made by the postal authorities for its carriage on a poundage basis.

A new five-cent special air mail stamp was issued by the Post Office on October 1 to be used on all letters weighing up to one ounce. For each additional ounce, extra air mail stamps are required.

On the preliminary survey of the route between Montreal and Winnipeg, estimated at 1,100 miles, a Fairchild FC-2 seaplane was used. The flying time on the westward hop was 15 hours 24 minutes, and 12 hours 37 minutes on the eastward hop. It was found that the nature of the country afforded few sites for air harbors to be used by land planes, the country being timbered heavily or rocky. Lakes abound and landing facilities for seaplanes are frequently available.

Tail-Spins

Mail Service to Maritimes

A new air mail service between Ottawa, Montreal, St. John and Halifax will be instituted on Jan. 28.

A saving of twenty hours for mail destined to St. John will be effected, and similar saving between St. John and Halifax.

The new service between Montreal and St. John will be bi-weekly at the start, but, it is expected, will be extended if it proves feasible. Daily flights between St. John and Halifax will be made.

Consideration is being given to the movement of transatlantic ships, and the days of the week on which the major link of the service will be operated have not been finally settled.

* * *

Service to Grand 'Mere

Aerial transportation between Montreal and Grand 'Mere, with a possible diversion via Three Rivers westbound, will be an accomplished fact in the very near future, according to Ellwood Wilson, president of the Fairchild Aviation, Limited, which will operate a daily service on this route.

It was planned to start operations the beginning of this month, but insufficient planes were available. Mr. Wilson has new aircraft on order, and it is expected that the service will commence shortly.

It is thought by Mr. Wilson that the cost of transportation between Montreal and Grand 'Mere will be little more than is paid by the rail route, when Pullman charges, hotel bill, taxi fares and tips are added.

* * *

Aeroplanes in North Country

The coming of winter brings the aeroplane more than ever into the picture in the mining camps of Northern Canada. Six aeroplanes will be stationed throughout the winter at Sioux Lookout, plying over routes to Red Lake, Woman and Clearwater Lake districts and also reaching as far north as the recent discoveries in Cat Lake, Gold Lake and Crow River.

With skiis the planes will be able to handle up to 900 and 1,000 pounds each trip, compared with a maximum of only about 600 pounds when equipped with the heavier and more cumbersome pontoons.

* * *

More Aero Clubs Formed

At the forthcoming session of parliament, the government will be asked to vote sufficient funds to double the present number of machines at the disposal of the light aeroplane clubs. Last year sufficient money was voted to supply 32 planes for this purpose, all of which have been distributed to the 16 clubs that are in active operation throughout various parts of the Dominion. Nine other clubs are at present in process of active formation, and are awaiting incorporation; they are: Fort William, Peterboro, St. Catharines, Kingston, Brantford and Brockville, in Ontario; Quebec, Que.; Saint John, N. B.; and Sydney, N. S.

New Fairchild Factory

No decision has yet been taken with regard to the establishment of a branch of the Fairchild Airplane Manufacturing Corporation in Canada, though it is expected that some announcement will be forthcoming in the near future. Montreal or Hamilton are mentioned for the factory site, though there is a possibility that it will be erected at Cap de la Madeleine, near Three Rivers, or at Drummondville, Que.

The company does not favor the combination of operating and manufacturing aviation concerns in Canada, though mergers along such lines are being effected in the United States. For this reason, a separate company from the Fairchild Aviation, Limited, will be incorporated in Canada, with Canadian and American capital, but with a Canadian directorate.

* * *

Found—3,000 Square Miles

This the net gain in area to the province of Ontario, as a result of aerial surveys conducted along the border between Manitoba and Ontario. The aerial survey has uncovered the fact that a certain boundary point agreed upon, is actually 27 miles farther north than it was supposed to have been, thereby giving Ontario an actual area of 3,000 square miles more than she is credited with having.

* * *

Advises Insurance on Planes

Insure your planes, is the advice of the department of civil aviation to Canadian light aeroplane clubs. All planes, says the department, should carry insurance against accidents and fires, clubs being asked to forward particulars of all damages suffered during the year and the details will be turned over to the insurance companies to assist in striking a new rate. The present rate against flying accidents is 22 per cent. on a 50 per cent. coverage. The fire rate is 4½ per cent.

* * *

Change Made in Exam. Method

Examinations of prospective air pilots will this year be conducted by inspectors of the National Defense Department on regular schedules and at regularly licensed air harbors only.

The demand for pilot licenses has necessitated an alteration in the method of carrying on examinations, officials of the department explained. Previously inspectors responded to calls from flying clubs in different parts of the country as pilots were ready for tests and excessive travelling was caused. The schedule is at present being prepared.

* * *

Diesel Engine is Factor

"Aviation" thinks Anthony H. G. Fokker, one of the most prominent aircraft designers in the world, whose machines are to be manufactured in Canada at the Canadian Vickers plant at Montreal, "will be revolutionized by the Diesel engine upon which engineers are experimenting at present, and it is expected that they will produce a motor suitable for aircraft propulsion within the next five years." Improvements, he says, are being made steadily on the existing gasoline motors in an endeavor to obtain greater horsepower per pound, but it is thought that the internal combustion oil engine will prove the more economic eventually."

Huge Fokkers Soon to be Produced in Canada

Here is the Big Fokker F-10 Super-Trimotor which is shortly to be produced at the Canadian Vickers Ltd. plant at Montreal. This company has the exclusive right to manufacture in Canada, all types of Fokker aircraft and it is rumoured that several of these powerful machines are to be used in an international air chain that is to link Toronto and Montreal with New York, Washington and Chicago.

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A Message For Canadian Bankers and Manufacturers

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Hemp is a very profitable crop for the Canadian farmer. Hemp smothers out weeds and improves the structure of the soil. No bugs, worms, blight or rust to fight. With the new machines, Hemp is an all machine crop, paying more for less work than any other field crop. World Fibre furnishes seed, to be deducted from crop returns; free service of harvesting machines, and guarantees to pay cash for crop. There is a ready market for the fibre. Bankers, send for information about hemp, that you may be able to discuss it with your farm clients.

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World Fibre Corporation, Limited, has literature which will be sent free to Bankers, Manufacturers, Farmers and all others who wish to secure information about Hemp and Flax Fibre production in Canada. Call or write.

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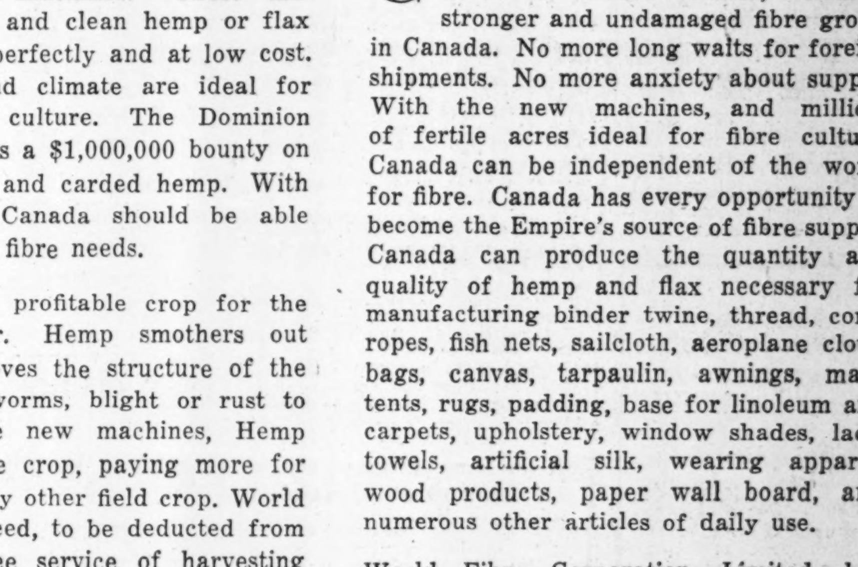

Modern Method of Breaking Hemp with World Fibre Machine.

Boston Creek Gives Promise of Big Copper Development

CANADIAN MINING NEWS

Regular Weekly Department of The Financial Post

Canada's Copper Production Will Soar in Next 2 Years

Canada's Production of Copper Will Pass $100,000,000 Mark

Estimate of Possible 1930 Output Will be 6% of World's Total

OUTLOOK EXCELLENT

Whole Industry Has Changed For Better and Many Good Years Are Ahead

Is Canada going to be able to market all its copper without breaking the price of copper?

The above question is being frequently asked, especially of late, since the full possibilities of the Frood Mine at Sudbury, have come to be appreciated.

It is a question of many sides, but indications are that Canada's copper producers can go ahead at full capacity without creating any embarrassment for some time to come.

Based on figures for the first half of the year Canada in 1928 produced 73,599 short tons of copper, an increase of 3,500 tons over 1927. Undoubtedly this total is conservative and will be materially revised when the full figures are available as, figuring on six months basis, Quebec is only credited with 2,126 tons, whereas Noranda alone must have produced around 24,700 tons.

Makes Better Total

Adding Noranda's figures to the 1928 estimate as well as the possible Frood mine and Hudson Bay output in 1930, the copper output begins to assume the rather respectable total of 262,545 tons, but when compared with the world's total of 1927 the figures work out at less than seven per cent. But at to-day's world output, the percentage falls considerably because of late the great copper producers have been at capacity production. Their monthly average of U.S. producers in 1927 was 69,165, whereas in December, 1928, the output was 85,673 tons, which is on a basis of 200,000 tons above 1927, or an increase of almost equal to the total of the 1928 production in Canada plus the Frood-Hudson Bay 1930 estimate and full Noranda 1928 figures.

Based on the 6 months figures, Quebec produced 2,126 tons, Ontario 21,808 tons and B.C. 49,685 tons of copper in 1928. On present production Noranda should produce this year 24,786 tons, and in 1930 Frood mine should produce 144,000 tons. Hudson Bay 20,160 tons. By that time Noranda will be running between 40,000 and 50,000 tons, with additional contributions of copper from Treadwell-Yukon, Sudbury Basin, Sherritt-Gordon, Falconbridge Nickel, Coast Copper of Consolidated Smelters, and an additional output from Granby Consolidated and Britannia Mine. It is difficult to try and estimate what these companies will do, but putting the first five on the same basis as Hudson Bay will mean an additional 100,000 tons and 20,000 more from Noranda will get Canada an output of something between 350,000 tons and 400,000 tons of copper,

(Continued on page 27)

Copper to Dominate B. C.'s 1929 Output

Dealing with the mineral outlook of British Columbia for the year, R. P. Clark & Co. say that the dominant metal of the year will be copper. British Columbia is rapidly assuming a foremost place in this field, from points of view of both actual and potential production. Much of the exploratory work which has been carried out by the larger mining groups during the past year has been a search for copper. With Coast Copper developed to a point which has justified the guarded announcements of the early probability of a smelter on the Coast, the Vancouver Island copper deposits are looming large on the horizon.

Copper Demand Soars

The main copper consumers in the United States are estimated to use the following short tons yearly:

	1923	1926	1927
Electrical manufacturers ..	178,500	201,000	196,500
Telephones and telegraphs ..	75,000	104,000	93,000
Light and power lines	85,850	117,000	103,000
Automobiles ..	103,900	102,800	99,000
Buildings	38,050	50,200	46,100

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ORE RESERVES BIG ON BABINE GROUP

Anglo-London Has Made New York Deal Which Assures Operating Capital

Important financial developments are taking place in the affairs of Anglo-London Mines Corp. When details are announced it is expected that they will show ample funds available to take care of the development of both the Babine Bonanza operation and Alexandria Gold Mines. The former is being equipped for production while the Alexandria is still developing. New mining and equipment have been ordered and is now on its way to the property. This includes compressor and other mining plant.

Thos. Davey, M.E., consulting engineer in a report estimates that $50,000 spent on new mining equipment and exploration will put another 15,000 tons of ore in sight and give the ore ready for mining a conservative value of $1,000,000. He recommends that when this program is carried out that they proceed with the construction of a 50-ton flotation type concentrator to cost $75,000. He estimates that the recovery of such a mill would give a net profit of $12 per ton.

L. B. Gostling, M.E., manager at the property, in an interview at the Coast, says the recent sampling of the mine indicates the conservative nature of the ore valuations announced by the late James Cronin. The specimens have been taken from all levels on the property and from the raises driven between tunnels. Altogether there are five main development tunnels at different levels on the property, these extending all the way from a few hundred feet to two thousand feet in length and the values throughout are reported by Mr. Gostling as being exceptionally consistent.

MAY HAVE SOLVED PROBLEM AT VIPOND

Development on No. 9 Vein Has Changed Complexion of Whole Operation

Vipond shares have come back strong in the market and in the last week reached a high of $1.25, whereas a month ago they were around 52.

Vipond's advance has been on meritorious improvement on the property, the situation being much better than at any time in the history of the mine. A year or so ago the stock sold up to $2 per share.

Recent interest in the shares is due to the development of new ore in No. 9 vein, and which has now been opened up on 500, 600, 733 and 866-ft. horizons. The ore is said to run 14 ft. wide and carries high values. Another important fact is that there are indications that Dr. Baydell, consulting engineer, and Robt. Dye, manager, have solved the deposition of the Vipond ore bodies, that have baffled many companies and engineers. This may lead to other important discoveries. Meanwhile production runs around $60,000 a month.

Sink on New Shoot Opened at Alexandria

Thos. Davey, M.E., consulting engineer of Alexandria Gold Mines, proposes to instal heavier machinery at the mine. He says that in the upper tunnel the face is now in ore running $24.60 per ton, over a 4-ft. width.

In the lower tunnel the ore shoot measuring 305 feet long and earning $8 per ton does not include the latest find over a width of 16 ft. and running $12.

This new discovery is now being sunk on and at 100 ft. will open up the vein and then go deeper.

GOODFISH CUTS STATION

Goodfish has cut the 125-ft. station in its new shaft.

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AWAIT NEWS ON McINTYRE MILL PLANS

Pres. Bickell Wants Reserves Doubled Before Making Any Move

EARNINGS ARE UP

Indications End of Fiscal Year Will See Surplus Over Four Million Dollars

Since the publication in last week's issue of The Financial Post of the details of the 13 mining operations which promise to develop well during the present year, there have been many inquiries as to why McIntyre was not included.

The answer is that McIntyre may or may not come along in a big way during the year, though during the past week the shares have been quite strong, and some interpret this is indicating that good news is coming soon.

McIntyre's deep development program has been meeting with a fair measure of success, but it is a question of whether or not this success will be sufficient to justify Pres. J. B. Bickell and his fellow directors launching a program of expansion this year.

At the last annual meeting Mr. Bickell, discussed the question of an increase in production in quite a frank manner, and left no doubt as to the position he wanted the mine in, before he was willing to consider the heavy expenditure involved in the construction of a new mill.

The last report showed that McIntyre's ore reserves had been increased during the fiscal year by about $1,000,000 to $15,000,000. Mr. Bickell told shareholders that ore reserves would need to show double such a total before he would feel justified in launching on a mill expansion program.

Back in Oct., 1928, The Financial Post in discussing McIntyre, stated that developments might be such that would warrant the expansion program being gone on with in 1929. Since that time there have been some important deep developments on Vein 13. Just how much this means in the way of additional ore reserves is not known, and it will be some time before the full possibilities of this development will be known to the management.

Meanwhile McIntyre is working into a strong position, as it is earning its dividend two and a half times. There are a good five months ahead of the operation before the annual meeting, which does not take place until close to June 1. It is quite likely that if McIntyre does decide to go ahead, the announcement will be made at the annual meeting, as it is not generally thought that the mine will be in shape to justify a decision before that time.

McIntyre earnings for nine months to the end of 1928 advanced $119,342, the total net before depreciation being $1,412,552. By quarters the figures are, $434,484, $496,048, $482,020. The outlook is that for the calendar year the net will be around $1,900,000. For the fiscal year ending March 31, McIntyre's dividends and depreciation and writing off of development took $1,437,000 and $363,000 was added to surplus. It is expected that McIntyre will add at least an additional $50,000 to surplus this year and put that total well over $4,000,000.

Gross recovery for nine months was up $213,661 to $3,112,000 and costs were also up. The figures:

	9 mos. to Dec. 31, '28	9 mos. to Dec. 31, '27
Gross recovery	$3,122,757	$2,909,096
Costs, including development	1,719,045	1,632,153
Oper. earnings	1,403,712	1,276,942
Non-oper. earnings .	89,102	71,779
	$1,492,814	$1,348,722
Less provision taxes for period	80,262	55,512
Net earnings before depreciation	$1,412,552	$1,293,210

FIRST CHIBOUGAMAU DRILL CUTS VALUES

Twenty-Six Feet of $13 Ore Shown by First Core Drawn

A report received by Carl M. Mohr on the first diamond drilling on the Merrill Island Vein on Chibougamau Prospectors, states that the ore continues to show consistent values and gives an average of over $13 per ton.

The drill entered the ore at 180 feet and continued in same to 206½ feet, for a total width of 26½ feet. A small stringer of ore (9 inches) was also cut at 251 feet. Values as computed and attached to the assay certificate are very consistent, showing an average of $13.26 per ton.

Another important feature is the gold content which has been obtained, a number of the assays carrying well over $3 a ton, and one $7.40 in gold. Examination of the cores shows that the high gold assay of $7.40 per ton was obtained at a point where the chalcopyrite was most massive. This is quite significant, in so far as it demonstrates the association of the gold with the copper sulphides.

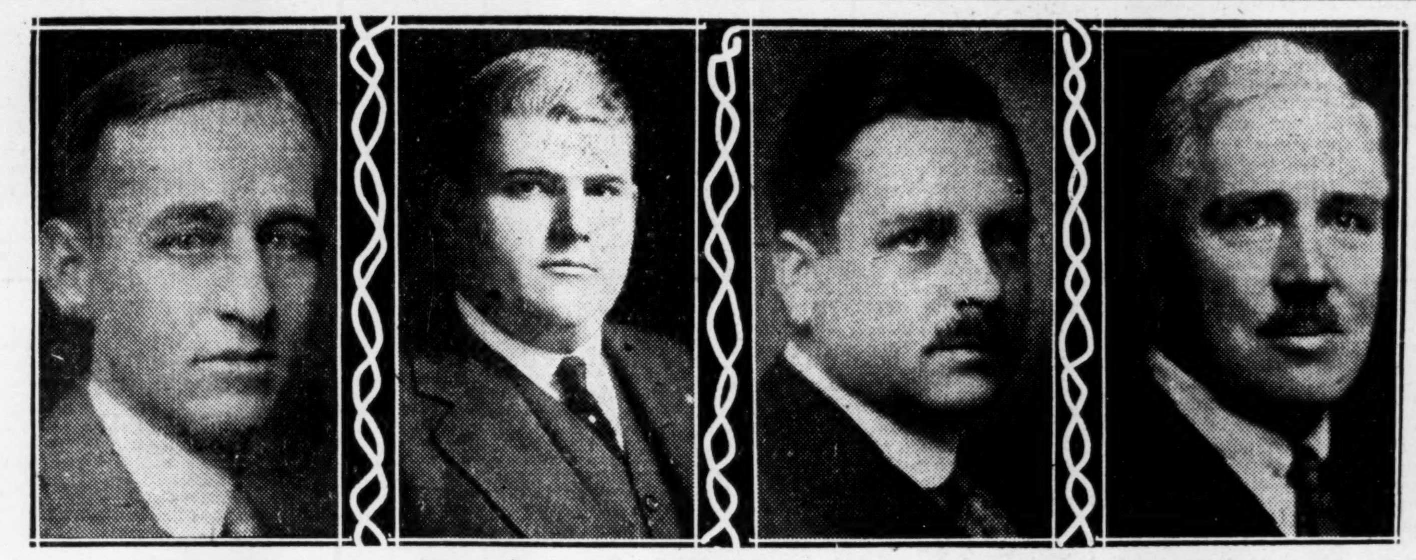
Mr. MacVicar, who is in charge of the diamond drill operations, had complete supervision of the cores at point of operation, boxing and sealing same, and delivering to the Fairchild Aviation, who in turn expressed same direct from Oskelaneo River to J. T. Donald & Co., assayers, Montreal.

S. W. Miller Is Again Head of Coast Exchange

S. W. Miller, of Miller Court & Co., Vancouver, will be 1929 president of Vancouver Stock Exchange. To give him a third term it was necessary to change the by-laws.

Other officers re-elected are: C. R. Poisson, of Lennard, Poisson and Waghorn, vice-president; A. E. Jukes, of R. P. Clark and Co., treasurer; and S. P. Powell, secretary; A. E. Sprague continues as active secretary. Committee chosen comprised J. L. Wood, of James and Wood; A. N. Wolverton and W. F. Irwin.

Standard Stock Exchange Elects New Officers



Officers of the exchange, re-elected by acclamation. Left to right: HOMER L. GIBSON, 1st vice-president; NORMAN C. URQUHART, president; MALCOLM STOBIE, second vice-president, and LOUIS J. WEST, secretary.

Five members of the executive elected at the annual meeting. Left to right: G. W. NICHOLSON, FRED J. CRAWFORD, AUSTEN CAMPBELL, PHILIP G. KIELY and HECTOR M. CHISHOLM. (Mail & Empire photos).

Copper Developments in Boston Creek Area of Sensational Nature

Paterson Copper Cuts Massive Body of 25% Ore on 125-ft. Level

ANOTHER DISCOVERY

Find 20-ft. Vein of 7 Per Cent. Ore at Round Lake — Hilltop Gets Block

Boston Creek gives promise of developing into a copper camp of importance. With little noise, there are several aggressive operations pushing ahead on the area and several new companies and a couple of recent important discoveries, would seem to presage a decidedly active year. It may give Ontario its first important purely copper camp, though only a year or so ago the only work done in the area was on gold showings.

The break or mineralized zone on which the copper discoveries have been made is easily traced on surface for a distance of six miles without a break. Amity copper, the original copper operation, is the most advanced. It opened up some rather sensational copper-lead ore over increasing widths as depth was attained. However, new interest in the area has been aroused by two developments, the first the cutting of a 7-ft. wide body of massive chalcopyrite on the 125-ft. level of Paterson Copper which adjoins Amity on the East and the finding of a 20-ft. wide vein at Round Lake to the west which assays on surface 7 per cent. copper with good values in gold and silver.

Many Attracted

This later development has attracted many prospectors and scouts for mining companies who are after properties on the area. It is officially announced that six claims were staked by Hilltop interests lying on the shore of Round Lake and with the break cutting through the centre of them. These have been turned into the Company at no cost and the vendors of the original property are turning back 500,000 shares of stock to finance the development of the new group.

Several bags of the massive chalcopyrite cut on the Paterson, have been sent to the company's office in Northern Ontario building, Toronto. At the same time assay results were sent to Toronto and these show 25.48 per cent. of copper, 0.6 ozs. of silver and 0.3 ozs. of gold.

Will Sink Deeper

It is not the intention to do any work on this horizon. Sinking is now under way and has now reached 190 ft. It is the intention to open levels at 250 and 375 with the first big working level at 500 ft. At this latter horizon it is expected that the vein will have widened very materially as the width of 7½ ft. on the 125-ft. level, is substantially wider than the surface outcrop.

The ore was cut 80 ft. from the shaft and at a point 800 ft. from the Amity boundary on the west. To the east this vein has an additional length of 1200 ft. to the company's east boundary.

Geology Favorable

This vein is believed to be the continuation of the Amity vein and there are several others. Engineers say that the mineralized zone is in contact with the granite to the south, and that this geological condition is quite favorable for a deep-seated deposit.

George and Thomas Tough, associated with Bracebridge people are behind the new discovery at Round Lake, and they were instrumental in getting the groups for Hilltop.

Other operations in the area, in line with the copper break are, Trethewey Osean, Mindoka, Trinity, while at Dane there is Dane Copper and a group of 36 claims said to have been taken over by a Montreal group.

Amity Will Sink Deeper

Amity is now engaged in sinking its shaft to the 600-ft. horizon and has attained a depth of 520 feet. On reaching this objective a cross-cut will be driven out to the vein and drifting begun. Diamond drilling will be carried out from this level, and Amity's future plans as to the construction of a concentrator will be based on the results obtained.

Amity to date has shipped some 350 tons of ore to the Noranda Smelter. The first shipment was made in the spring. Altogether eight cars were sent to the smelter, the last shipment being made in September. The ore averaged 9.35 per cent. copper. It also carried small values in gold and silver, but none of this was of a returnable value, with the exception of the last car on which a small return in gold was received.

New York Accumulates Big Missouri Shares

Buying of Big Missouri is coming from New York. One house in close touch with transactions in the stock, both in Toronto and Vancouver says that New York must have taken over a million shares and is still bidding for more. It is believed that the stock is in good position technically as the fast move upwards must have created a substantial short interest.

As far as can be learned, developments on the property are not at a stage yet where they would justify any such advance as has taken place in the shares in the week. Consolidated Smelters is in charge of the operation. Some good ore has been opened up but only on one level, and some diamond drilling done.

Good Mill Results at Central Manitoba

The mill at Central Manitoba Mines has been averaging 170 tons daily of late, and in December ran 4,530 tons, assaying $10.70 per ton, or a total of $54,000. This was obtained despite three off days at Christmas when the mill was idle.

Drifting on the 250-ft. level of Tene Six made 260 ft. progress, all in ore of $14 grade, with a half foot to three foot width. The management says the width and grade have been so consistent over the entire length that the showing exposed is extremely encouraging. As this is located three-quarters of a mile east of the main Kitchener workings, none of the ore is being milled, and it is hoped that this section will very materially increase ore reserves. The grade in this section has always been considerably higher than the Kitchener section, and while the width at this particular horizon is narrow, there are sections above the 250-ft. level where the width is as great as 16 to 18 feet.

Speed Up Siscoe Mill By February

Siscoe Mill, which is now operating on a small daily tonnage, is expected to be in working order to be stepped up to 100 tons daily by Feb. 1. It is estimated that the mine has two years ore ahead of the mill, the bulk being better than average grade. Deep drilling is said to have shown ore of increased widths on vein "C" between 500 and 700-ft.

The latest drilling on the mainland has revealed large widths of ore and indicated the likelihood of very big deposits in this section of the property, which up to now has been practically undeveloped.

At the present time an intense and extensive development is under way on the property, and the effort is attracting considerable attention in leading mining circles. It is mooted here that a statement of considerable importance will shortly be issued by the officials.

BRITANNIA GETS TORIC UPON MOST FAVORABLE TERMS

Report From Coast That Directors Were Stampeded Into Deal

Details published in Vancouver indicate that Britannia Co., Howe Sound subsidiary, got a wonderful bargain in its deal on Toric mines. One paper suggests that the board was stampeded into accepting the offer when there were other offers available that would have a chance of working out much more advantageously for the shareholders.

Under the deal consummated Britannia does not take a single chance.

Toric mines owned its property and plant, including a 50-ton mill and owed $37,000, mostly for supplies. Britannia will pay off this debt and has a first mortgage on the property for doing so. By the end of March Britannia must decide whether or not it will go on with the deal and if its decision is favorable it will incorporate a 3,000,000 share company, and Toric will get 750,000 shares for its property.

Britannia shall have the option to purchase them back, as follows: 100,000 shares within 18 months at 95 cents; 150,000 shares within 2½ years at 95 cents; 200,000 within 3½ years at $1, and 300,000 shares within 5 years at $1.37½. In the meantime these shares shall be in escrow. If any option for shares is not exercised, then all the other options shall be null and void. The Toric company shall accept for any shares in lieu of cash, debentures of the new company. Another important point is that if Britannia shall not exercise the option, all monies paid by it on the said property and in operation thereof shall be repaid to Britannia by March 31, 1930, with 6 per cent. interest, the total amount not to exceed $35,000.

Western Mining News says an offer was advanced by a responsible Vancouver man offering to purchase Toric, paying present debts up to $50,000, with no first mortgage for the amount; installing a 150-ton mill and paying in cash within three years $1,100,000; or a counter offer, with the same two first items, only paying $500,000 in three years for a one-half interest. These offers would work out on a basis of about $9 and $7.46 respectively for each share of Toric stock, while the deal entered into is on a basis of $5.40 in five years.

This paper intimates that one London, England, shareholder stampeded the directors into accepting the Britannia offer which was submitted on request. It adds:

Britannia may at any time prior to the exercising of all the options for shares turn the property back on condition that it gives Toric 50 per cent. plus one share of the capital stock of the new company, with the option of purchasing all the remaining shares within two years at a price equivalent to all the money expended by Britannia upon the property and all money paid to Toric. Should it happen that the property is finally turned down by such a responsible company, the result would doubtless be that Toric would be unable to finance further.

Lorrain T. L. Failed to Open Up New Ore

Lorrain Trout Lake Mines, South Lorrain, has decided to suspend operations for the present because of losses in operations during the last two years and the failure to discover new orebodies in the south end of the property. Mining Corporation of Canada holds a third interest, 500,000 shares, in Lorrain Trout Lake. The company has three patented claims in South Lorrain Township adjoining Keeley Silver Mines.

Slocan, B.C., Properties May Figure in Merger

According to Miller Court Co., Vancouver, a merger between several Slocan, B. C., properties is on tap. Lucky Jim and Cork Province are two that may figure in the deal.

Ship 55 Bags of High Grade Pay All Costs

O'Brien-Cadillac operating on the Western Section of the Quebec gold area has just shipped 55 bags of spectacular high grade ore. It is estimated by those who have knowledge of the shipment that this shipment alone will pay the total expenses on the property to date. Operations have been of quite an extensive nature.

PEND OREILLE PLANT

Pend Oreille will construct an electrolytic zinc plant at Metaline Falls.

HISTORY OF TOUGH OAKES ALL TROUBLE

Disappointments Have Been Many in Operating Property

LONDON DISPLEASED

Complaints of Canadian Shareholders Results in Order For Examination

John A. Reid, M.E., will make an examination of Tough-Oakes-Burnside property at the behest of Attorney General W. H. Price. This new departure in mine investigation is the result of complaints by Canadian shareholders, who questioned the shutting down of the mine at Kirkland Lake. The first complaint resulted in an investigation of the company's books but seemingly this did not satisfy and the latest action is the result of more persistent complaints.

Tough-Oakes as the operation was first called, has had a stormy career. It was the original Kirkland Lake discovery and produced the first ore which Tom and George Tough and Harry Oakes—now president of Lake Shore—had brought over the lake in canoes, hauled to the railway by team and shipped to a smelter. The ore was very high grade, coming from No. 2 vein which was by far the best producing vein on the property.

A mill was built and production started but extraction was not good and 40 per cent. of the values went out in the tailings. These were piled and it was intended to later retreat them and recover the several dollars per ton, but an extra heavy spring flood carried the tailings away.

Litigation Started

London was then interested in the venture and purchased control. The deal was no sooner made than litigation, long and drawn out was launched. When this was ultimately out of the way, a reorganization was effected and the Burnside property to the south taken in.

Long distance management from London was questioned ultimately and it was decided to organize a Canadian company called Tough-Oakes-Burnside, capital 5,000,000 shares, $1 par, and Kirkland Proprietary (1919), the London company would take 4,000,000 shares, and 1,000,000 would be sold in Canada. This was done. The Canadian board

(Continued on page 27)

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1928—1929
A Review and a Forecast

The current issue of Gibson's Fortnightly Mining Review covers the mining progress of 1928 and the future for 1929, together with a discussion of the Nickel-Mond situation, and articles regarding developments at Noranda, Amulet, Falconbridge, Kirkland Lake and other properties.

In this, and following issues, the mining investor will find a valuable guide; an aid in the selection of new commitments and a medium through which he may be kept posted.

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NO DIVIDEND ON WRIGHT-H. THIS QUARTER

Directors Husband Funds—Engineers' Report Expected Soon

Wright-Hargreaves which last year cut the quarterly dividend from 5 to 2½ has now halted all payments and shareholders will get no return for the first quarter of the year.

This was expected in some quarters and decried in others. Apparently the dividend has not been earned for some time but there was always the chance that rich ore might be picked up. Such an event would result in payments being quickly resumed, though if bad luck continues the outlook will not improve.

The Summerhayes' report on the property is expected any day and it may shed some light on the situation. It is also possible that there will be curtailment of mill operations and a policy of selective mining adopted for a time. The reasons advanced for eliminating the dividend are given officially as follows:

"(1) Owing to having encountered considerable low grade ore during a goodly portion of the past year the company earnings are not sufficient to pay the dividend.

"(2) As Mr. Maurice W. Summerhayes and staff have been making a thorough examination and survey of all the property and operations and they are now preparing a complete report which will probably be ready within a week or ten days, it was deemed advisable by the directors to await the benefits to be derived from said report.

"(3) The desirability of maintaining the present strong financial position of the company in order that it may pursue a vigorous development policy based on the coming report was the unanimous opinion of all the directors."

Wright-Hargreaves paid its first dividend in 1922 distributing 17½ cents and in 1923, five cents; 1924, 12½ cents; 1925, 25 cents; 1926, 22½ cents; 1927, 32½ cents; 1928, 12½ cents.

PICK UP EXTENSION OF VENTURE'S ZONE

Oxford Lake Development in Northern Manitoba Looking Quite Interesting

Metals Development has picked up the continuation of the Ventures, Limited, strike at Oxford Lake, M. F. Blue, secretary of the company, informs The Financial Post. The Metals Development property consists of a group of 500 acres adjoining the Adair property optioned by Ventures, on the west. Jack Adair, staker of both properties, who has been in charge of surface exploration for Precious Metals, reports picking up the continuation of Venture's copper-gold strike, and also uncovering a new gold-bearing vein six feet wide, from which gold has been panned for a distance of 150 feet.

Metals Development is engaged in shaft-sinking on its Clearwater Lake property. J. M. Nelson, who is in charge, states recent work has disclosed what is considered to be the main break, showing a mineralized width of nine feet, four to five feet of which carries high-grade. A portable gas compressor has been sent in to the property and the intention is to sink to a depth of 150 feet. If the development proves up, the company is prepared to send in a steam plant before the break-up. The Narrow Lake group was dropped last fall.

Anglo-Sudbury Drill Holes Give Good Core

Anglo-Sudbury Mines has drilled four holes on its Ridout group of claims. Hole No. 1 followed the vein east from the outcrop, for a distance of 700 feet, and cut good mineralization throughout its length.

Hole No. 2 cross cut the top of the vein, and continued on into the wall rock. Stringers of calcite and quartz, carrying lead and zinc were encountered throughout its length, which showed that at depth there were possibilities of a large body of ore.

No. 4 hole was placed to cut the vein fifty feet west of No. 3 hole and at a verticle depth of 100 feet. The hole has a total length of 175 feet and cut 31 feet of vein matter. This vein material is high in lead and zinc and also carries showings of copper.

A fifth hole is about to start 200 ft. farther west, and the intention of cutting the vein at a still greater depth.

These four holes will have proven the vein for a length of 1,000 feet at vertical depths of between 75 and 300 feet.

R. K. Kilborn, the company's engineer, says it will be advisable to drill a few more holes to greater depths and if the results prove satisfactory, the time would be at hand to instal a mining plant and start actual development.

Trenching south of Vein No. 1 indicated a well mineralized zone 30 feet in width. Across this zone good showings of lead and zinc have been exposed.

Another trench has been dug 150 feet west to pick up the same band of formation, and showings of copper have been found.

Ramon Drill Cores Indicate Sulphides

Ramon Mining Corp. has completed 4 holes 2,500-ft. diamond drilling on its property adjoining Sherritt-Gordon in Northern Manitoba. They report that in holes 1, 2 and 3 proved the presence of copper sulphides and No. 4 the presence of a body of copper sulphides 109 feet below the surface to be 54 feet wide. The cores are being forwarded to Ottawa and the drilling programme has been intensified with a view to proving this deposit and upon a more advantageous course in the development.

The property which adjoins Sherritt-Gordon is favorably situated and gives every indication and promise of further sulphides being found. The fact that a mineralized zone some 200 feet wide, running through the whole length of the property from the south-west to north-east, together with the results of the drilling, the cores of which were mineralized in various strengths all the way through, has made the officials concerned, optimistic regarding the future, and developments are being planned with a view to putting forward every economic endeavor to make this property a success.

Pete Cobalt to Drill Cobalt Silver Group

Work on Peterson Cobalt's silver property, at Cobalt, is being pushed with two shifts a day. At present the tunnel has been run nearly across the Nipissing Peninsula, and when this has been done the intention is to sink the shaft at that point and also do some diamond drilling.

SOLID SULPHIDES ON FROOD

International Nickel is now driving in solid sulphides on three levels, 1,600, 2,400 and 2,800, of Frood Mine, says reports from the north.

A Mining Pioneer

ROBERT J. JAWSEY,
a prominent figure in the Sherritt-Gordon Mines deal and who had charge of early operations. He later organized Bobjo mines.

SAVARD SAYS ABANA LOOMS AS BIG MINE

Only Question in Controversy Is, Should Reserves Be Estimated

The Abana controversy has broken out again. Abana published an advertisement which supported with figures Chas. Spearman's estimate of 1,000,000 tons of $30 ore.

Pres. A. Savard says that through oversight it was published without submission to the board and after pointing out what are considered discrepancies in statements made by Mr. Spearman, in his reports, says: "The board is convinced that no estimate of ore reserves should have been made and that the diamond drilling on the east side of the diabase dyke cut no such orebody at the 600-ft. level as was reported to me on August 16, 1928.

"While the board feels that these statements should be made in view of the publications above referred to, they desire to state to the shareholders that notwithstanding the same, their opinion of the property is that, if the orebody as exposed continues to develop with the present grade and size, the property will become a large mine."

Mr. Spearman has replied that during the period that the reports cover in which there are discrepancies indicated, he was seriously ill and made no direct reports. He says the board was in more direct touch with the mine than he was. He adds:

In order to make a statement that the property would become a large mine, there must have been some indulgence in the mathematics of three dimensions, the value per ton being a constant. In my opinion the estimate of indicated or possible ore reserves of one million tons which caused more or less comment some time ago, would hardly be classed as a large mine. There would have to be a much larger indicated or possible reserve than one million tons of ore. Another statement issued by the board last month stated that there were possibilities of a large mine east of the diabase dyke (where the diamond drilling was done, as per Mr. Savard's statement), and a small mine indicated west of the diabase dyke. This latter statement puts sufficient indicated or possible ore west of the diabase dyke to constitute a small mine, and sufficient indicated or possible ore east of the diabase dyke to constitute a large mine. It would appear that these statements issued by the board were dealing with tonnages much in excess of one million tons, but would prefer to adhere to my statement of the 8th ult. giving the indicated or possible ore of one million tons as being conservative, as this will convey a more definite conception to the shareholders.

In conclusion would say that there is apparently no controversy as regards conditions at Abana Mines, Ltd., as everybody concerned apparently agrees that there is a real mine in the making, and it would be interesting therefore to the shareholders to know what prompts such pseudo-controversy in the actions and statements such as the above, which are attributed to the board.

Manitoba Can Stop Fraudulent Practices

Manitoba courts have ruled that the province can control fraudulent practices in the promotion of companies incorporated under Dominion charter. The decision made permanent the injunction against Morris C. Rosenbaum and Gordon Morgan Mining Co. The contention was that Rosenbaum sold stock of Dixon Mining Company, Ltd., at a profit so large as to be exorbitant and unreasonable, and thus become guilty of breach of the Securities Frauds Prevention Act, passed at the last session of the Legislature.

The court held that the provincial statute did not attempt to interfere with selling of shares of a Dominion company in the usual channel of stock markets and agencies, but merely applied its restrictions to fraudulent practices, and did not tend to either destroy or impair substantially the status of legitimate essential capacities of a Dominion company.

Attempt to Revive Assoc. Gold Fields

Holders Corporation is a new organization being launched by Canadian Associated Goldfields interests to purchase a first mortgage on the assets of the mining company.

Funds raised will be used to pay preferred creditors and liquidation expenses. Later, a bond issue will be placed on the company's water powers and the proceeds used to pay off the Holders Corporation mortgage, to further develop the water powers and get the mine operating again.

The proposal is to raise $125,000 and the offering is of treasury shares of Holders Corporation at par $10. No information is given as to the number of shares there are of Holders Corp., but the application reads for "treasury stock."

BAY GROUP NEAR GRANADA

Fifteen mining claims adjacent to Granda Rouyn have been taken over by Copper King Mines Syn., who plan an active year's work on their various holdings, and with the acquisition of these new properties, their plans call for considerable work in the way of stripping and trenching to be followed by diamond drilling.

FATE OF CROWN TO BE DECIDED IN FIVE MONTHS

Company Has Tried Hard to Find Additional Ore Bodies

Crown Reserve directors have decided to undertake additional work to test out two or three rather good looking situations on the property. A statement sent to shareholders says that the deep development work in the hunt for ore has been disappointing.

This operation is a heart-breaker, especially for Pres. Erenhous and Mgr. N. J. Evered, and while the outlook for shareholders is none too good, mining engineers familiar with the project, declare that Crown Reserve stands out as one of the most economical operations of the north. They say that shareholders have had an exceptional run for their money, as the company got wonderful footage for the dollar expended. The fact that quite a number of engineers were among the shareholders is an evidence of how the operation was regarded

Crown Reserve was seeking new ore of depth. On the upper levels, the previous operations had proven $1,000,000 worth of ore running around $6.50 to $7 per ton. It was hoped that deep development would open up bodies of better grade. It did not. It revealed great wide veins, wonderfully well mineralized, but when the assays were run the sad truth was revealed that values were negligible.

Pres. Leo Erenhous, in a statement to shareholders says:

"In all, 650 feet of shaft sinking was completed and 7,820 feet of lateral work, the veins being reached on all levels.

"Altogether the veins showed increasing width, but the whole situation as disclosed by the work of the past year has not added to the commercial ore and the results are disappointing.

"The directors have decided to carry on a definite diamond drilling campaign below the present bottom level in the hope of finding greater concentration in values. At the same time at least 500 feet of lateral work will be done on one of the new levels east of the shaft to explore an area which offers possibilities.

"The result of this program should be known by the 1st of May, 1929."

COXHEATH COPPER OPENING OUT BIG

Second Ore Body Picked Up on 130-Ft. Level—Big Tonnage in Sight

From Our Own Correspondent

OTTAWA, Ont.—Crosscutting on the 130-ft. level of Arno's Coxheath property in Nova Scotia has hit the second ore body which shows a width of 15 feet running five per cent. copper and three dollars in gold and silver.

This makes a total width of 21 to 33 feet of ore opened on this level to date. The grade varies from four to twenty per cent. copper and two to four dollars in precious metals. No zinc is shown. The average value is probably about $18 per ton and the proven lengths 200 feet with faces still in ore. No drifting has been done on the second ore body as yet.

An official progress report issued by the company quotes the former general manager to the effect that the indicated ore above the 500-ft. level should approximate 1,500,000 tons.

Underground inspection to date shows the original reports are very conservative in all details. Present developments are said to indicate a mine of real importance in the making.

CUT NEW FISSURE ON KOOTENAY-FL.

Both Faces of Drift in Good Ore Which Is Widening Out Rapidly

From Our Own Correspondent

NELSON, B.C.—Ore 17-ft. wide in the east and 7-ft. wide in the west drift, 134 feet apart are dimensions of the ore body of the second fissure of Kootenay Florence's big shear zone. Where first cut the ore was 3 ft. wider.

Drifting will continue in both directions.

Between this fissure and the one cut previously, about 50 per cent. of the intervening 24 ft. is considered mill feed.

On No. 5 level, 750 feet higher on the dip of vein, the ore occurrence in the Josephine lime-bed, which is where this lower ore has been found, is said to have a length of 400 feet or more.

The upper level has three fissures, and for this reason there is a feeling that when the lateral is driven further, another fissure may be found.

In addition to that, there are possibilities of replacement ore, similar to the considerable body cut when the lateral first branched off, and similar to various such bodies found and mined in the upper levels.

Joins Engineers' Firm

VICTOR A. JAMES, M.E.,
Queens graduate of quite a wide experience, who has been admitted as partner in the firm of Wright & Boydell, consulting engineers and geologists.

THOMPSON C. MILL TESTS ENCOURAGE

Company Has Recently Secured Title For Property From Quebec Govt.

Thompson-Cadillac have been granted a concession on their mining property by the Quebec Government, and their claims in the N. W. Quebec gold area are now the property of the company.

The company erected a small 10-ton mill late last year and 40 tons milled show a value of $8.29 per ton. It can be assumed that this value also represents the average value of the ore mined and milled from the drifts and raises. The recovery of 48 and 43 per cent., respectively, by amalgamation of the value to the mill clearly indicates the ore is a free and easy milling proposition.

Further tests will be run and screen tests made to determine the percentage of the values in the concentrates, No. 1 and 2 Middlings, and sands and slimes.

The work of the past year is briefly summarized:

(1) Development work to date is distinctly encouraging, veins are strong and well defined with values consistent and improving as they go down.

(2) Mill results are indicative of the values which the ore developed to date may be expected to yield, and as lower horizons are reached values should increase.

(3) Only a small portion of the property has been touched with over 3,000 ft. on the break still to be explored. In view of developments on the adjoining property to the west (Graham-Bousquet), this area is one of great importance and possibility.

The outlook for the future of the property is, therefore, one of considerable promise and in my opinion can be viewed with confidence, summarizes Murray D. Kennedy, manager.

Another Sudbury Co. Has Halted Operation

Sudbury Contact has suspended operations on its property in Fairbank Township, Sudbury Basin area.

Quite a diamond drilling programme was carried out on the property and lacking results to justify further work, it has been decided to await and see what develops on the adjoining Sudbury Basin property. The company has about $85,000 still in its treasury.

Nickel and Noranda Shares Slip Slightly

Nickel and Noranda shares, now regarded as the mining share market leaders, have had an off-week. Both showed a reactionary tendency, Nickel getting back to around 53 and Noranda close to 61. However, it takes very little to make these issues fashionable again and the rest of the mines soon fall in line. Brokers say the present marketing time is thought to be only temporary.

MALARTIC ACTIVE

Malartic shares have been active during the week, selling up well above $1. No statement has been issued but it is believed that good results have been met with in diamond drilling from 250-ft. level.

To the Shareholders
Granada Rouyn Mining Co., Ltd.

CAPITALIZATION
$5,000,000

Shareholders are advised to have all stock registered in their own names in order to receive detailed report on results obtained by diamond drilling and shaft sinking to date.

Write
Granada Rouyn Mining Co., Ltd.
Rouyn, Que.

Over-Production a Danger from High Copper Price

Commenting on the rise in the price of copper to 17 cents, New York Journal of Commerce, after pointing out that this means an increase of 100 per cent. in the profits of many producers and will result in a general speeding up of productive effort and the uncovering of new sources of supply, says that in the course of time, as has been the experience in other branches of industry, it will become increasingly difficult to maintain the productive situation which permits the supply to be kept down sufficiently to maintain prices. It then adds:

"In copper this danger is particularly great. No one knows how large the available reserves of copper ore are, but several enormous ore bodies are known which are at present producing on a relatively small scale. High prices encourage their rapid exploitation, and this in turn tends to endanger the efforts of producers to permanently stabilize conditions.

"During the past year important progress has been made in developing new copper production in two widely separated parts of the globe, Canada and South Africa. Canada increased her copper output by one-third to 95,000 tons in 1928, but far more significant than this relatively meager actual production is the intensive development work going on in Manitoba in the Flin Flon area, in the Frood mine in Ontario and in the extensive Noranda mines. While specific estimates of what Canada can produce in copper in the next two years vary widely, there is general agreement that a sharp gain in production is certain."

After commenting in a like manner on the developments going on in Rhodesia, it concludes:

"The maintenance of present conditions in the copper industry, therefore, depends on the extent to which demand can keep up with this increasing output, stimulated by the higher price level. Demand, it is generally anticipated, will show a moderate average annual increase, but cannot grow fast enough to catch up with production if vast new copper areas are opened up. It devolves on the copper industry, therefore, to handle its problems in a statesmanlike way, to the end that undue stimulation to production in new areas not included in any understanding among producers may be avoided and a stable price structure maintained."

CANADA'S PRODUCTION OF COPPER WILL PASS $100,000,000 MARK

(Continued from page 26)

or a total value of around $100,000,000 taking copper at 14 cents as compared with $17,000,000 in 1927.

World's Production

U. S. figures on production of blister copper covering countries producing 98 per cent. of the world's output are as follows:

	1925	1926	1927
U. S.	947,333	948,166	968,657
Mexico	36,260	42,511	43,964
Canada	27,654	33,346	35,613
Chile, Peru	236,984	254,972	297,093
Japan	72,412	72,277	69,872
Australia	12,822	10,267	10,944
Europe	106,200	114,700	135,100
Belgian Cong.	98,748	88,252	97,103
Rhodesia	1,979	......	......
Others	47,200	51,100	36,000
	1,587,600	1,651,600	1,694,300

Will Treat Here

U. S. figures also reveal a condition that is due for a change. Canada estimated its 1927 output of copper at 70,073 tons while U. S. that year imported 25,517 tons in ore and matte from Canada for treatment and 25,740 tons of blister and black copper. This meant that 51,257 tons of Canada's output went across the line, part for smelting and part for refining. It is believed that by 1931 the great bulk of Canada's copper will be brought to the electrolytic copper stage in the Dominion. Consolidated Smelters is the only company now producing electrolytic copper in Canada.

The interest that is being taken in copper to-day is continent wide and by no means confined to the speculation in shares as many in Canada view it.

The copper situation to-day is very bright, and much different than when there was a potential over-production of copper of from 30 to 40 per cent. as was the case up to about 1924.

World consumption of primary copper in 1925 was under 3,000,000,000 lbs. and a 10 per cent. cut in production, with output only on a 60 to 70 per cent. basis, meant an actual cut of 14 or 16 per cent. To-day consumption is around 4,000,000,000 lbs. and a drop of 300,000,000 lbs. is only about 7½ per cent.

In Fewer Hands

One of the great factors, however, in the copper situation has been the concentration of copper output in the U. S. among three groups. Anaconda, Kennecott and Phelps, Dodge-Calumet and Arizona, who control 55 per cent. of the world's output. With other interests it is said they can pretty well dictate to producers handling all but about 12½ per cent. of the world's output or 250,000 tons, or less than the immediate potential output of Canada.

What Figures Mean

C. F. Kelley, president of Anaconda copper, speaking on the copper situation, says that to project the table of world production would indicate a minimum demand for copper production of approximately 1,800,000 short tons for the year 1930. It should not be assumed, however, that the existing rate of increase in copper production can persist for many years. Since 1800 the increase in copper production has averaged 180 per cent. each quarter 1901-1925. Such a rate of increase, if continued, would require a production of 72,000,000 tons for 1926-1950, 200,000,000 tons for 1951-1975, and 565,000,000 tons for 1976-2000, a total 862,000,000 tons for the twentieth century in contrast to less than 12,000,000 tons for the nineteenth. The known world resources of copper are inadequate to meet any such demand.

Mr. Kelley adds:

"In the absence of stocks, and there is practically no stock of copper to-day in existence, it is axiomatic to say that consumption has kept pace with production, but, forecasting the future, it is essential to refer to the principal uses for the metal to reach an intelligent opinion as to whether or not they are of a character likely to increase or diminish the demand.

"It is interesting to glance at the five major consumptive outlets and to note the constantly increasing demand for each. The following is from the 1927 year book of the American Bureau of Metal Statistics:

"When the statistics for 1928 are compiled all previous records will have again been broken. The total estimated production for eleven months to the end of November, of more than 1,500,000 tons, being approximately equal to any twelve months' production in the history of the industry.

"It cannot be conceived upon any acceptable hypothesis that the consumptive demands enumerated for copper are not of a character that will constantly expand, in addition to which new uses are constantly developing—radio, electric refrigeration, electrification of railways, washing machines, domestic water heaters, copper and brass pipe, and plumbing supplies and countless other utilitarian purposes are constantly developing that promise to demand from the industry every possible effort that can be made to fulfill them."

HISTORY OF TOUGH-OAKES ALL TROUBLE

(Continued from page 26)

entered into active management and good reports came from the property.

When what was thought was sufficient ore developed, it was decided to open the mill. This proved a sad blow for actual mining and milling operations failed to reveal anything like the values which the day to day assays indicated. In fact values were not commercial.

Name New Manager

This meant another change and London sent out a new manager, Alan Stuart, an engineer with South African experience. He had a hard battle, and tried every way to make a mine. Various engineers from time to time examined the property, but it never got on a profitable basis. Money ran out and London agreed to advance something like $400,000. It is believed that $250,000 of this was spent on a deep exploration program when Mr. Stuart recommended that the operation be closed down for this winter. Mr. Stuart is now conferring with London on future policy. Meanwhile some Canadian shareholders interpret the closing down as abandoning and hence the agitation for investigation.

Meanwhile London is said to have become aggrieved over the insinuations of Canadian shareholders and to have decided that they will not advance another cent to the operation.

London holds the whip hand as its advances are evidently in the shape of a mortgage bond and it is believed that the plant and equipment which is all in good shape, may cover these.

SURVEY OLD COLONY CLAIMS

W. T. Canning and party of 12 surveyors left St. John's, Newfoundland, to make a survey of 300 claims of Old Colony Mines, in Red Indian Lake mineral area. It will take them until Easter to complete the task.

DRILLING ON RITCHIE

Ritchie Mines is diamond drilling near its west boundary to pick up the continuation of the Murphy zone.

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	Bid	Asked
Anglo Sudbury	..	1.10
Astoria Rouyn	.07	.09
Bobjo	..	.35
Brett-Trethewey	.33	.33
Canadian Kirkland ..	.04	.06
Gilbec	.47	.50
Harker Gold	.25	.28
Manitoba Basin	.38	.43
McMillan Gold	.90	1.10
Old Colony	.45	.50
Wood Kirkland	.16	.19

Other stocks quoted on application.
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The diamond drill indicates a large body of base metal ore. Gold and silver are here also. In one section of our Ridout Basin development a large tonnage of rich ore has been blocked out for the concentrator. A concentrator is planned for construction in 1929. The aim of Anglo-Sudbury is production not speculation.

Engineers Report Ready

Send for a copy of the report of our Resident Engineer. Drill cores and assays may be inspected at head offices. Plans for 1929 are aimed at production. Find out about Anglo-Sudbury now while the share price is low. Call, write or wire.

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Mining Inquiries

Newbec

How much of an interest does the Noranda have in the Newbec mines?

During the assessment work on the original Newbec property Noranda secured ten per cent. interest. Later there was a re-organization and the property of the gold pan adjoining was taken in, which we understand reduced the Noranda percentage to six per cent. or seven per cent. We are not aware whether or not the Noranda are still holding those shares.

Mond Nickel

In your opinion, is Mond Nickel an investment for a hold? Anything you may have on this stock would be appreciated.

The shares of Mond Nickel are regarded as just as good a purchase to-day and at the present ruling prices, as it was at the time you sent your letter of enquiry. Many of the very best houses are recommending this stock.

Crescent Silver

Can you give me any information about Crescent Silver Cobalt Mining Company in which I hold shares purchased in 1923?

Shares of Crescent Silver Cobalt Mining Company, are of little value. Those in control of the operation do not seem to get anywhere with it. The property is located a considerable distance south of Cobalt, and some fair showings of ore have been opened up on the property.

Teck-Hughes

I would be glad to get some information on Teck-Hughes. Do you think that there is a chance for a rise in this stock within the next twelve months?

Shares of Teck Hughes are regarded as offering good speculative chances. The company's earnings are working up, as costs are being brought down and the company is constantly putting greater tonnage of ore into reserves. Many of the leading houses are recommending the shares of this stock to their clients.

Consolidated Smelters Noranda, Granada Rouyn

Please let me have a report on the following stocks for a two or three year hold: Consolidated Smelters, Noranda, Granada Rouyn.

The shares of Consolidated Smelters and Noranda, are regarded as very excellent for a two or three-year hold as you propose. Granada Rouyn is a speculative stock for which the company is seeking ore, and if they do not find ore, the operation may be dead by that time.

Acme Oil

Can you give me any information regarding Acme Oil Company of Calgary, Alta.? I hold 250 shares of this company and would like to know what has become of it.

Shares in Acme Oil were transferred into shares of Alberta Pacific Company, on the basis of two Acme for one of the new. The address of the Alberta Pacific Company, is 515 Lougheed Building, Calgary, Alberta. If you write to them, you will undoubtedly get the facts as to the present position of the operation.

Cobalt Contact

Please give me your opinion on Cobalt Contact Mines.

During recent months, the operation on Cobalt Contact Mines has encountered some narrow stringers of very high grade silver, which gave considerable encouragement and caused them to speed up operations.

The general view of this operation, is that like some other of these outlying silver ventures, they just find enough ore to keep teasing them along, but so far have not got sufficient concentration whereby they can put the operation on a profitable basis.

Wright-Hargreaves, Amulet

I have 1,200 shares Amulet at $5 and 200 shares of Wright-Hargreaves at $7. I have been thinking of selling and putting the proceeds into Nickel. May I have your opinion?

Recently there has been a distinct improvement in both Amulet and Wright Hargreaves. How far this is going to carry the shares, it is hard to tell. Your idea of getting out of them, and getting into something more sound and stable is a good one.

We would suggest that you read the stocks reviewed in our issue of January 11. We still like nickel shares, even at the present price.

Hudson Bay Mining

I am anxious to obtain your opinion on Hudson Bay Mining and Smelting. Any information will be appreciated.

Hudson Bay Mining, and Smelting, is quite a fine operation handling the Flin Flon property in Northern Manitoba. There is a very large tonnage of ore developed on this property, and the company is well financed to bring into the production stage. At the moment, they are installing a very large power development and in the spring will likely go ahead with the erection of a mill, smelter, and refinery. The shares are regarded as offering good chances for profits for a hold.

Wright-Hargreaves

May I have your opinion on Wright-Hargreaves at around $2.10 a share?

Wright-Hargreaves shares are quite speculative as the price would indicate. The company has a very substantial tonnage of low-grade ore in the mine, and the problem is to find a sufficient tonnage of high grade, which will bring the average up to a commercial and profitable grade. This they have not done very successfully, but of late a new discovery was reported and it will be interesting to watch the papers, to see how this new find is opening up. Since writing the above, the directors have decided to pass the dividend and it is likely that the mill tonnage will be curtailed.

Fiske Gold Mines Kirkland Townsite

I have a few shares of both Fiske Gold Mines and Kirkland Townsite. Is there any chance of either of these mines starting work?

Neither Fiske Gold Mines, nor Kirkland Townsite, are operating at the present time. The former has been closed for quite a time, and during the summer, Kirkland Townsite did a considerable amount of diamond drilling.

It would seem that both companies are playing what might be termed "the waiting game" waiting for developments on adjoining properties to indicate possibilities on their own.

Sudbury Contact — Aconda

I hold Sudbury Contact, Aconda and Pioneer. Do you consider that Sudbury Contact will come back and are they doing any work at present on the property? Sudbury Basin adjoining seems to be very good. What is your opinion?

Your Sudbury Contact and Aconda shares are gambles, but have a possible chance of working out. It may ultimately prove that developments on the Sudbury Basin property, will indicate better chance for Sudbury Contact, and we believe that that is what the company is looking for. The best holding of your three, is the Pioneer shares which company is meeting with a fair measure of success in Michipicoten.

Abana — Imperial Tobacco

Do you consider Abana a good purchase at present prices?

Would you advise buying Imperial Tobacco at the present price in view of it advancing when the Federal House meets or is it just possible that there is very little on the market?

For over a year or so, Abana shares have been regarded as offering very excellent profit possibilities. There has been a shake-up in the venture which unsettled the market for a short time, but it seems to have settled down again, and as a result the venture has quite an improved outlook.

Shares of Imperial Tobacco are regarded as being very good for a long pull. Undoubtedly, the company will benefit by any legislation that will offer protection, but even without that the company looks very strong.

A Diversified Hold

I have been asked by a client to suggest a diversified investment in stocks, amounting to $2,000, which will show a fair appreciation over a period of a few years. May I have your advice regarding Brompton, Mining Corporation, McColl-Frontenac common, and International Petroleum?

The list of stocks which you suggest for diversified speculative investment for a hold, has much to recommend it. The two oil companies are very well regarded, and seem to have very definite possibilities.

Mining Corporation besides holding a substantial block of Hudson Bay Mining and Smelting, and having its own silver propositions which are on a dividend basis, has a very fine looking gamble in the Murray property which adjoins Noranda on the north. Brompton is very well regarded as a whole.

Lake Shore

I hold a large block of Lake Shore purchased at $23 and would like to know the cause of the recent decline. while the market is off I feel that a stock such as Lake Shore should have held up better than it did unless there was some bad news regarding the property. I am prepared to hold my stock unless you think it will go lower and stay there.

The break in the shares of the Lake Shore followed the provocation of the rather varied statements by the president, in fact that no further increases in the mill were contemplated. After the public had had an opportunity to digest the matter and realize that already a very substantial increase had been made, but which had not made itself apparent in the last report, the stocks were set back. Lake Shore paid $1.00 per share in 1928, and they also give that the company will earn at least twice that in 1929. The future for the shares seems very bright.

Malartic

I hold 3,000 shares of Malartic which cost me $1.25 per share. Do you consider that I should sell? I would be willing to hold these shares a couple of years if I thought they would come back to make it worth while.

There is a great deal of uncertainty in regard to the Malartic position. This is indicated by the fact that when the first diamond drill hole, put down below the 375-ft. level, struck porphyry, they practically suspended underground development and exploration operations, and took up diamond drilling.

The writer discussed the matter recently with one of the officials close to the company, and he said that the stock was either worth $5 or nothing. In other words if the ore continues, the stock would be worth $5, if it did not, he did not think that the present development could be capitalized into anything.

United Mineral

I have just purchased 100 shares of Hollinger Gold Mines for a hold. I am the owner of several hundred shares of United Mineral Lands, Corp. (Paymaster). What do you think of this mine and its future prospects?

What do you think of Dome Mine at present prices? Is this mine running out and unworthy of consideration? Like Hollinger it is down pretty well marketwise.

We believe you made a good selection in your purchase of Hollinger shares. You are getting a good yield, the mining is coming back very strongly and we consider the outlook attractive.

In regard to your shares of the United Mineral Lands, this venture does not seem to be working out very well. They have abandoned their plans of going through with a very large low-grade operation, and are going into selective mining, and it remains to be seen how this will work out.

The old Dome Mine seems to be plodding along, and from time to time one hears very optimistic remarks from engineers as to the possibilities of the company finding a new mine below the sedimentary bed in which they got their ore to date.

Mining Stock Quotations

MINING STOCK QUOTATIONS

Week Ending January 15

	Par Val	Div. Rate	Yield	High for wk.	Low for wk.	Close	Sales for wk.	Range 1928 High	Range 1928 Low	Range 1929 High	Range 1929 Low
Abana	$1	....	....	3.75	3.38	3.60	88572	4.80	1.75	3.90	3.35
Aconda	1	....	....	.15	.13	.14	19700	.47	.10	.15½	.13
Aladdin	.	....	....	1.78	1.78	1.78	200	1.85	1.20	1.84	1.78
Albain M.	1	....	....	....	....	....	....	1.05	.20	....	....
Algonquin	1	....	....	.01	.01	.01	1000	.03	.01	.01	.01
Amity C.	1	....	....	.32	.29½	.31	71300	.55½	.24	.35	.28
Amulet	1	....	....	0.60	3.15	3.27	109475	5.45	2.50	3.75	3.15
Apex	1	....	....	.05	.05	.05	1000	.09	.01	.05	.02½
Area	1	....	....	.15½	.14	.15	9600	.48	.11	.20	.14
Argo. Con.	1	....	....	.02½	.01	.01½	44500	.34	.01¼	.02	.01
Arno	1	....	....	.38	.27	.36	373180	.39½	.15	.38	.19¼
Atlas	1	....	....	.02	.01¼	.02	6010	.04¼	.01	.02	.01
Ankerite	1	....	....	.15	.15	.15	1000	1.28	.19	.15	.15
Bayview	25c	....	....	.06	.04½	.06	61100	.09¼	.04½	.06¼	.04½
Baldwin	1	....	....	.33½	.02	.02¼	270400	.03½	.01	.03½	.01½
Barry Holl.	1	....	....	.38½	.35	.36½	35750	1.50	.25	.44	.32
Bathurst	None	....	....	.31½	.27	.30	46300	.44½	.16	.38¼	.26¼
Bedford	1	....	....	.55	.46	.51	41700	.54	.32	.55	.46
Bidgood	1	....	....	.55	.41	.48	60050	1.60	.25	.60	.41
Big Horn	.	....	....	....	....	....	....	.44	.15	....	....
Big Missouri	1	....	....	2.00	.91	1.75	2408201	.90	.40	2.00	.75
Boischatel	None	....	....	.01½	.01¼	.01½	21000	.05	.01	.01½	.01
Buckingham	1	....	....	.09½	.07½	.07¾	184900	.10	.04½	.10	.07½
Bunker Hill	None	....	....	.11	.10	.10	650	.35	.07¼	.11	.09
B.C. Pioneer	.	....	....	....	....	....	....	2.00	1.75	....	....
Cambro	1	....	....	.35	.26	.35	11000	.59	.10	.35	.19½
Can. Lorraine	1	....	....	.09	.05	.05	500	.21	.06	.05	.05
Capitol S.	1	....	....	....	....	....	....	.18½	.05	.05½	.05½
Capitol R.	1	....	....	.09	.06½	.07½	65300	.26½	.07	.10¼	.06½
Castle Tre.	1	....	....	.35	.34	.39	5676	.81½	.34	.39	.34
Cen. Man.	1	....	....	.75	.65	.71	63370	1.95	.58	.80	.64
Chaput H.	1	....	....	.09½	.07½	.07½	10100	.18	.05½	.10	.07½
Clericy	None	....	....	.21¼	.18	.21	20750	.36	.07	.25½	.18
Clifton	1	....	....	....	....	....	....	.02	.00⅛	.00⅛	.00⅛
Coast Copper	5	....	....	64.00	53.00	62.00	7260	66.00	8.00	64.00	53.00
Col. Kirk	1	....	....	.02	.01½	.01⅛	12500	.09½	.01	.02	.01½
Coniagas	5	....	....	2.25	2.25	2.25	100	5.50	1.70	2.60	2.00
Coniaurum	5	....	....	2.25	2.00	2.00	2875	5.50	1.00	2.50	1.25
Cons. Smelter	25	10+40	3.28	385	378	381	2815	400	239	385	374
Copper Hill	1	....	....	....	....	....	....	.46	.44	....	....
Cork Prov.	25c.	....	....	.27	.25	.27	94950	.47	.19	.28	.21
Corona	1	....	....	.03½	.03	.03	11500	.16	.02	.01	[illegible]
Crown Res.	1	....	....	.16	.11½	.13¼	87048	.70	.22	.19	[illegible]
Davidson	1	....	....	....	....	....	....	.03	.00¼	....	....
Dunkin	1	....	....	.20	.18	.18	63700	.55	.12½	.23	.18
Destor	1	....	....	....	....	....	....	.28	.20	.10	.10
Dome Mines	None	$1	10.05	10.00	9.45	9.95	7275	13.35	7.65	10.50	9.45
Dom. Kirk	1	....	....	.01	.00¾	.00⅞	5500	.06½	.01½	.01	.00¾
Don. Rouyn	1	....	....	.11	.10	.11	9300	.30	.10	.12	.10
Dubec	1	....	....	....	....	....	....	.72	.40	....	....
Duprat	1	....	....	.03½	.03¼	.03¼	6500	.12½	.02½	.03½	.02½
Dupuy	1	....	....	....	....	....	....	.10½	.10	....	....
Dunwell	1	....	....	....	....	....	....	.35	.20	....	....
Duthie	1	....	....	....	....	....	....	1.40	1.00	....	....
Everett	1	....	....	....	....	....	....	.33	.01	....	....
Falconbridge	.	....	....	7.00	6.30	6.40	56810	5.30	4.50	7.75	5.15
Federal Kirk	1	....	....	....	....	....	....	.77	.01	.05	.04
George Cop.	1	....	....	8.75	8.00	8.50	6255	8.65	2.50	8.75	7.95
Goleonda	1	....	....	1.00	.81	.96	120950	1.13	.66	1.00	.81
Goldale	1	....	....	.15½	.15	.15	4000	.44	.11	.19	.14½
Gold Hill	1	....	....	.07½	.06	.06	76010	.38½	.05	.09½	.06
Gold Reef	1	....	....	....	....	....	....	.03	.01	....	....
Goodfish	1	....	....	.21	.17	.20	34100	.78	.15½	.25	.17
Graham	1	....	....	.35	.28	.32	70005	.45	.18	.37	.28
Grandview	50c.	....	....	1.00	.51½	.89	567300	.87	.30	1.00	.54½
Granada	1	....	....	.26	.20	.20	31800	.35½	.16½	.29½	.20
Grover Daley	1	....	....	.02¼	.02½	.02½	11600	.15	.02½	.04	.02½
Harker	1	....	....	....	....	....	....	.43	.15	....	....
Hillcrest, c.	100	6	8.57	....	....	....	....	75.00	65.00	70.00	70.00
Hillcrest, p.	100	7	7.69	....	....	....	....	91.00	85.00	....	....
Hilltop	1	....	....	.05½	.03	.03	14600	.23½	.03	.07	.03
Hollinger	5	65c.	....	9.50	8.50	8.75	4657	18.10	7.00	9.55	8.25
Howey Gold	1	....	....	1.21	1.15	1.16	88015	1.91	.61	1.25	1.12
Hudson	None	....	....	20.75	20.00	20.05	24984	23.25	16.40	22.25	20.00
Indian	1	....	....	.09⅜	.05	.09½	5500	.15	.04½	.09⅜	.05
Int. Nickel, new	None	....	....	56.87	52.25	53.50	441617	45.00	31.25	58.00	46.00
Jackson M.	1	....	....	.34	.25	.31	64900	1.02	.37	.36	.24
Keeley	1	....	....	.42	.34	.42	25420	.85	.37½	.42	.34
Keora M.	1	....	....	....	....	....	....	.05	.01½	....	....
Kirk. Hunt.	1	....	....	.05	.03½	.05	4600	.26	.03	.06	.03
Kirk. Lake	1	....	....	1.75	1.60	1.68	57090	2.75	1.05	1.92	1.60
Kirk. Prem.	1	....	....	.10	.10	.10	2000	.40	.10	.15	.10
Koot. Flor.	20c.	....	....	.30	.22	.28	502460	.47	.15	.30	.19½
Koot. King	1	....	....	.45	.36	.45	86306	.67	.24	.45	.32½
L. Kamiskotia	1	....	....	....	....	....	....	1.28	.87	....	....
La Rose	1	....	....	....	....	....	....	.08⅜	.03	....	....
Lake Shore	1	80+20c.	5.23	19.50	18.90	19.05	5575	27.20	14.75	21.50	18.75
Lebel Ore	1	....	....	.11¼	.11	.11	1000	.59	.09½	.14	.10
Laval	1	....	....	.09	.08	.09	17750	.38	.05	.10½	.08
Lorrain C.	1	....	....	....	....	....	....	.03	.00½	....	....
Lorrain T.L.	1	....	....	.01	.01	.01	1000	.70	.30	.01	.01
Lucky Jim	10c.	....	....	.26	.24	.26	39700	.44	.21½	.25	.21½
McLeod R.	1	....	....	....	....	....	....	.35½	.34½	....	....
Mandy	1	....	....	1.35	1.25	1.30	21325	3.50	1.15	1.45	1.25
Macassa	1	....	....	.27¼	.25	.26	14900	.55½	.16	.30	.24¼
Malartic	1	....	....	1.14	.89	1.03	259340	1.85	.70	1.14	.88
Malrobic	.	....	....	.15	.15	.15	2500	.37½	.29	.15	.15
Marriott	1	....	....	....	....	....	....	.46	.04	....	....
McDougall	1	....	....	.57½	.49	.56	65160	.74¼	.31	.59	.46
McKinley	1	....	....	.22	.21	.22	3500	.21	.15	.22	.20
McIntyre	5	20	4.30	24.00	21.00	23.25	10256	29.00	18.80	24.00	21.00
Mentor	10	....	....	....	....	....	....	13.00	12.50	....	....
Millcrest	1	....	....	.02	.02	.02	7000	.12	.01½	.02	.01½
Mining Corp.	5	37½c.	....	4.80	4.20	4.61	99215	5.50	2.92	4.80	4.00
Moneta	1	....	....	....	....	....	....	.12	.07	....	....
Montreal R.	1	....	....	.02½	.02½	.02½	500	.16	.04¼	.02½	.02½
Mint Ore	1	....	....	.19	.16	.19	4600	.44	.10	.19	.15
Mond Nickel	10s.	18½	....	55.50	51.25	53.00	31130	46.50	20.00	55.75	45.00
Moss	1	....	....	.70	.60	.60	2600	.95	.25	.72½	.60
Murphy	1	....	....	.62	.57	.62	42050	.83	.28	.67	.55
Moffatt Hall	1	....	....	.16	.10	.14½	54900	.35½	.08½	.20	.10
Morton Woolsey	25	....	....	.06	.05	.06	118006	.09	.84⅛	.06½	.05
Nat. Silver	50c.	....	....	....	....	....	....	.20½	.12	....	....
Newbec	1	....	....	.38	.35	.36	88700	.69	.24½	.43	.35
Night Hawk	1	....	....	.05½	.05¼	.05¼	8000	.10	.05	.05½	.05
Nipissing	5	6	8.59	3.50	3.25	3.49	6750	6.20	2.50	3.90	3.25
Noble Five	50c.	....	....	.81½	.66	.81	268550	.53	.33	.81½	.56
Noranda	None	....	....	66.00	62.50	63.00	83973	76.50	17.00	67.25	62.50
Notre Dame	1	....	....	....	....	....	....	.82	.50	....	....
Nor. Canada	.	....	....	1.00	.95	.99	14000	.70	.60	1.02	.92
Ophir	1	....	....	....	....	....	....	.03	.00½	....	....
Osisko	.	....	....	.55	.55	.55	2400	.75	.35	.55	.50
Picard	1	....	....	.01¼	.01	.01¼	101500	.77	.00¾	.01½	.01
Pawnee Kirk	1	....	....	.07	.05½	.06	28000	.80	.05	.07	.05
Pend Ore	1	....	....	14.75	10.25	13.00	53855	25.50	8.00	14.75	10.00
P.L. Cobalt	1	....	....	.26½	.23½	.24	11163	.30	.06	.26½	.19
Proc. Crown	1	....	....	.03	.02¼	.03	2500	.08	.01	.03	.02¼
Pioneer	1	....	....	.37½	.33	.35	16950	.68	.31	.41	.33
Pioneer Gold	1	....	....	....	....	....	....	2.00	1.70	....	....
Potter Doal	None	....	....	.02½	.02	.02½	24300	.22	.01¼	.02½	.01½
Premier Gold	1	24c.	10.99	2.30	2.18	2.20	15560	3.50	2.14	2.35	2.15
Preston	1	....	....	.03	.03	.03	4000	.05	.01½	.03	.03
Porter Idaho	50c.	....	....	.75	.70	.70	25500	.88	.48	.79½	.70
Reeves McD	None	....	....	2.65	1.50	2.65	150650	1.25	1.25	2.65	1.25
Ribago	1	....	....	.05	.02½	.03	26000	.25	.02½	.05	.02½
Rubec	1	....	....	.06	.06	.06	500	.54½	.04	.06	.06
Realty & M	None	....	....	....	....	....	....	.54	.08	....	....
R. Montbray	.	....	....	.06	.03	.06	1200	.32	.05	.06	.03
Ruth Hope	1	....	....	.67½	.62½	.67½	119950	.71	.44	.67½	.58
Rouyn Kenn.	1	....	....	....	....	....	....	2.00	1.10	....	....
Rufus Argenta	1	....	....	.57	.29½	.51½	194700	.37	.14	.57	.29
Simard	.	....	....	....	....	....	....	11.50	7.75	....	....
Silversmith	20c.	....	....	....	....	....	....	.23	.08	....	....
Slocan King	20c.	....	....	....	....	....	....	.11	.05	....	....
Slocan Ramb	25c.	....	....	.30	.16	.30	111400	.20½	.16	.30	.10
Selkirk	.	....	....	....	....	....	....	.03½	.02⅛	....	....
San Antonio	None	....	....	.21	.20	.20	31050	.57½	.18	.26½	.20
Silverado	1	....	....	1.32	1.00	1.32	35900	.80	.75	1.32	.95½
Siscoe	1	....	....	1.20	.90	1.12	388660	.90½	.15	1.20	.89
Snowflake	50c	....	....	.40	.30	.40	24200	1.35	.25	.40	.30
Stadacona	None	....	....	.10	.09	.09	24600	.21½	.07	.12½	.08
St. Anthony	1	....	....	.63	.56	.63	42800	6.75	.32	.63	.45
Sudbury M.	1	....	....	....	....	....	....	.33½	.10½	....	....
Sylvanite	1	....	....	2.20	2.03	2.05	5350	3.90	1.95	2.55	2.03
Sherritt G.	1	....	....	7.00	6.80	6.90	58055	8.40	5.45	7.30	6.50
Sud. Basin	None	....	....	9.00	8.40	8.60	60405	12.00	5.15	9.75	8.25
Sud. Contact	1	....	....	.08	.05½	.07½	7000	.50	.05½	.08	.05½
Sunloch	1	....	....	4.25	3.25	4.00	14305	6.50	1.95	4.25	3.25
Tashota	.	....	....	.20	.15	.16	2600	.37	.12	.23	.15
Thom. Cad'c	1	....	....	.36	.30	.34	23000	1.06	.22	.50	.30
Topley	50c.	....	....	.52	.50	.52	100650	.65	.43	.53	.45
Teck Hughes	1	60c.	....	9.25	9.00	9.05	23664	11.60	7.50	9.90	8.95
Telluride	1	....	....	....	....	....	....	.58	.20	....	....
Toric	5	....	....	2.50	2.00	2.40	1420	3.50	2.00	2.50	2.00
Tough Oakes	1	....	....	.10	.08¼	.08½	11300	.79	.07	.10½	.08
Towagmac	1	....	....	3.35	3.00	3.20	3380	4.75	2.25	3.85	3.00
Timiskaming	1	....	....	....	....	....	....	.10½	.05	....	....
Treadwell Y	1	....	....	12.00	10.75	12.00	725	32.00	9.50	13.00	10.00
Vickers	1	....	....	.80	.75	.75	1000	1.25	.60	.80	.50
Vipond	1	....	....	1.25	.87	1.08	323977	.99	.42	1.25	.87
Waite Ackerman		....	....	....	....	....	....	2.75	2.75	2.75	2.53
West D. Lake	1	....	....	.08½	.08	.08	17100	.17½	.07½	.10	.08
Wiltsey C.	1	....	....	....	....	....	....	.56	.34	....	....
Wright Har.	None	....	....	2.27	1.45	1.70	310980	6.80	1.40	2.95	1.45
Windfall R.	None	....	....	.07	.05½	.07	43700	.25	.02½	.07½	.05
Whitewater	1	....	....	1.44	1.30	1.35	14850	2.85	1.05	1.48	1.25
Woodbine	None	....	....	.07	.04	.05½	248800	.46	.03½	.07	.03½

CALGARY OIL STOCKS

	Par Val	Div. Rate	Yield	High for wk.	Low for wk.	Close	Sales for wk.	Range 1928 High	Range 1928 Low	Range 1929 High	Range 1929 Low
Acme	.	....	....	....	....	....	....	.30	.17	....	....
Advance	1	....	....	.60	.58	.60	2965	.95	.25	.60	.54½
Alta. Pac.	1	....	....	.72	.58	.72	28099	.81	.30	.72	.58
Black Dia	.	....	....	.14	.14	.14	520	.35	.12	.14	.14
Brit. Dom	1	....	....	.65	.59	.60	10830	.75	.25	.65	.55½
Calmont Es.	.	....	....	....	....	....	....	1.00	.50	....	....
Calmont Treas.	1	....	....	1.10	.72½	.92½	6155	2.10	.45	1.10	.67½
Cal. Pet. P.	.	....	....	....	....	....	....	5.50	3.05	....	....
Cherokee	.	....	....	....	....	....	....	.07	.06	....	....
Dalhousie	None	....	....	2.19	1.75	2.10	9216	4.25	1.50	2.10	1.60
Dallas		....	....	.20	.20	.20	100	.30	.10	.20	.20
Devenish	None	....	....	.50	.47	.47	5762	.75	.25	.50	.37
Great West	1	....	....	....	....	....	....	.34	.10	....	....
Highland	.	....	....	....	....	....	....	.25	.20	....	....
Ill. Alta.	1	....	....	.70	.61	.65	36795	.77½	.45	.70	.60
Madison	.	....	....	....	....	....	....	.20	.07	.08½	.08½
Mayland		....	....	....	....	....	....	2.56	1.06	3.20	2.40
McD. S. Ex.	1	....	....	2.25	2.15	2.20	4315	3.00	1.40	2.25	2.00
McD. S. (new)	1	....	....	1.35	1.30	1.32½	6830	1.50	1.00	1.37	1.30
McLeod	1	....	....	4.75	4.50	4.75	4448	7.90	2.97	5.15	4.10
Mid West	1	....	....	.23	.23	.23	250	.60	.15	.23	.22
Mill City	1	....	....	.60	.60	.60	2705	.55	.27	.60	.45
Mooes M'tn	1	....	....	....	....	....	....	.30	.25	....	....
N.W. Pacific		....	....	....	....	....	....	.09	.09	....	....
Okalta, c.	None	....	....	200.00	195.00	195.00	38	400.00	20.00	260.00	190.00
Okalta, p.	100	....	....	252.00	210.00	210.00	37	450.00	66.00	320.00	210.00
Ranchmen's	1	....	....	.45	.42	.45	900	.80	.30	.45	.42
Regent	.	....	....	.43	.40	.40	14787	.90	.30	.56	.40
Royalite	None	....	....	67.00	65.00	67.00	692	84.00	45.00	67.00	63.00
Signal Hill	1	....	....	.14	.13	.14	4710	.30	.06	.15	.13
Spooner	1	....	....	1.40	1.35	1.40	4450	3.10	1.10	1.45	1.27½
Stockmen	1	....	....	....	....	....	....	.60	.32	....	....
Sun Oil	.	....	....	....	....	....	....	.13½	.13½	....	....
Turner Valley	1	....	....	.45	.45	.45	675	.70	.30	.45	.41
United	1	....	....	1.80	1.75	1.80	3699	2.65	1.19	1.80	1.72
Vulcan	1	....	....	1.27½	1.15	1.15	5011	3.00	1.50	1.55	1.15

New Drill Contracts for Wainwright Area

Part of the pumping equipment has been received for Wainwell Oils No. 3 well. Wainwright No. 2 hole, being drilled by rotary equipment, has been held up by one or two field problems to solve, but is now in full swing again. No. 1 Producer is again on the pump after having been closed down for part of the holiday period. The crude oil from this well, having an asphaltic base, opens up another product, namely, asphalt, for roofing and road use, the market for which is not competed for in Western Canada.

Work on the refinery is being carried on and it is expected that a considerable quantity of fuel oil suitable for spring tractor needs, will be run and stored for this demand.

Satisfactory weather prevails and it is anticipated that this field should show considerable additional activity this spring as several drilling contracts are already in sight for present drilling development in the field.

Spooner to Attempt to Bring in Well No. 2

No. 1 well of Spooner Oils, in Turner Valley, Alberta, is steadily producing 60 barrels crude naphtha daily. No. 2 well is standing cemented at 5,075 ft., of which 20 ft. is in the limestone. Diamond drill being moved from Vulcan No. 1 and will be used on Spooner.

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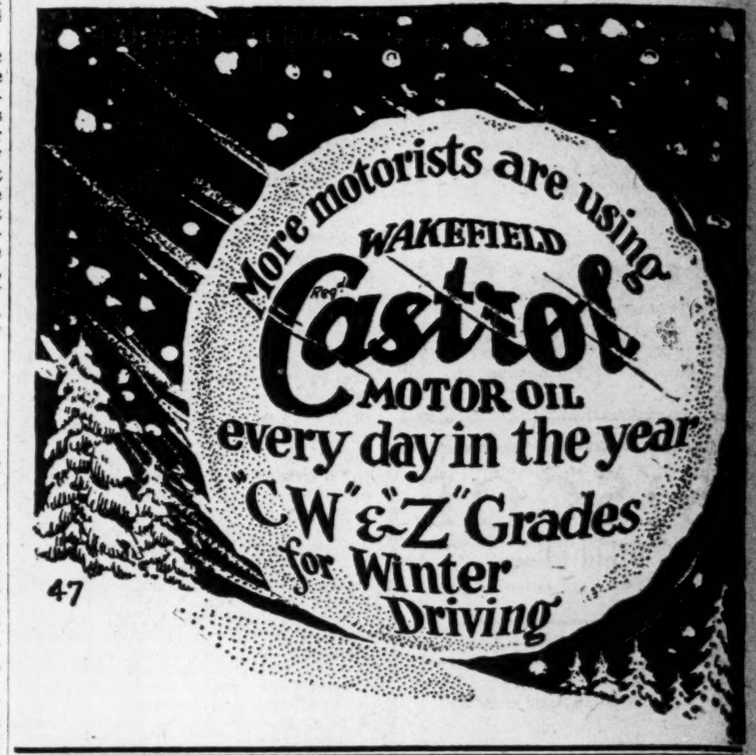

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Although still in its infancy, mining has already become the third largest industry in Canada and is rapidly promising to become the first.

Canadian mines in the short period during which they have been operated have contributed more to the Dominion's wealth than any other known factor.

Sir John Aird, President of the Canadian Bank of Commerce, in his address at the annual meeting of the shareholders, published in the Montreal Star of January 9, 1929, said:

"There is now scarcely a province in the Dominion the value of whose mineral output does not run into millions of dollars and in some cases we are on the eve of developments which will make the achievements of the past seem petty by comparison."

"The expansion in the copper output of Canada in the next few years from Ontario, Quebec, and Manitoba promises to be enormous."

In his recently published address to the shareholders of the Royal Bank of Canada, Sir Herbert Holt, the President, is quoted in the Montreal Star of January 11, 1929, as saying in part:

"The basis of the exceptional prosperity during the past few years has been the great development of natural resources."

"New areas have been opened up for cultivation; great mining fields have been discovered."

In the same newspaper and on the same date, we quote from the address of the General Manager of the same bank:

"For several years there has been an extraordinary expansion in Canadian mining."

"New mineral resources have been discovered in various parts of the country, but while the mineral statistics of 1927 and 1928 show gratifying improvement over previous years, they do not reflect the potential output of the new areas which soon will be in production."

"We may look forward with confidence to the most important mining era in the history of the country."

Forceful statements these, but doubly forceful and convincing coming from such well known men—men who weigh carefully every statement they make.

With reference to the second to last quoted paragraph about "new areas which will soon be in production," one of the greatest and most promising of these which has recently been brought to the attention of the public is the new mining camp in Chibougamau.

Sir John Aird in his address refers to the expansion of the copper output.

The principal ore so far found in the Chibougamau Mining Camp is copper.

It is anticipated that the intensive diamond drilling now being done under Lake Dore on the Merrill Island Vein will disclose a huge ore body the bulk of the ore of which will be copper.

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